

Registered Company Number 08073659
Registered Charity Number 1148192

**THREE MILE CROSS CHURCH
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020**

Three Mile Cross Church
Basingstoke Road
Reading
Berkshire
RG7 1AT

Three Mile Cross Church

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Three Mile Cross Church

General Information

Trustees

Rev. Deon Esterhuizen

Rudolf J Esterhuizen

Mihai Rusu

Michael Spooner FCA

Bankers

Barclays Bank Plc

Leicester

LE87 2BB

Independent Examiner

Mr Babu Samuel

18e Battle Square

Reading

RG30 1AL

Three Mile Cross Church

Report of the Trustees for the year ended 31 December 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2016. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005. The trustees have complied with the duty in Section 4 of the 2006 Charities Act to have due regard to guidance by the Charity Commission in respect of public benefit.

Reference and Administrative details

Registered company number: 8073659 (England and Wales)

Registered Charity number: 1148192

Registered Office: Three Mile Cross Church, Basingstoke Road, Reading, RG7 1AT.

Trustees:

The trustees who served during the year were;

Rudolf Esterhuizen,

Rev. Deon Esterhuizen

Mihai Rusu

Michael Spooner (Chair)

Structure, Governance and Management

Governing document:

The charity is controlled by its governing document, memorandum and articles of association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees:

The trustees where possible should be a church member. In addition to the senior minister, Trustees may include two elder appointed trustees.

In accordance with charity law, further trustees may be appointed. Trustees are appointed on the basis that they accept the Constitution.

In addition, trustees are also appointed from church members with professional experience and leadership skills, in areas such as finance, law, HR, facilities management, etc.

Trustees shall serve a one year term of office from their appointment at the annual church meeting until the next annual church meeting. There are no limits on the number of terms that may be served. Elder appointed Trustees have no fixed term. Trusteeship termination is detailed in the Articles of Association.

Buildings:

The building Three Mile Cross Church, together with the freehold, are the property of the charitable company.

Volunteers:

Volunteers are an essential part of church life, with most activities being supported by volunteers.

Three Mile Cross Church

Report of the Trustees for the year ended 31 December 2020 (*continued*)

Mission and Vision

The charity's mission is to propagate the Christian faith and to spread the Gospel of Jesus Christ as revealed through the Holy Scriptures and by all means of communication whether visual, verbal or written through the use of Three Mile Cross Church or any other premises and facilities provided by the charity. Further details are in the Three Mile Cross Church Constitution; which is regarded as the governing document.

When planning our activities for the year, the Trustees have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. In particular, we try to enable ordinary people to live out their faith through:

- Worship and prayer; learning about The Gospel; developing their knowledge and trust in God.
- Provision of pastoral care for those in the congregation and the local community.
- Missionary and outreach work.

To facilitate this work it is important that we maintain the fabric of Three Mile Cross Church. The income and costs associated with the above are detailed in note 4 to the financial statements.

Achievements and Performance

Three Mile Cross Church (TMCC) trustees are dedicated to cooperate with the church elders and promoting the whole vision and mission of the church, pastoral, evangelistic, social and spiritual. With the induction of a new trustee we have enhanced and broadened the knowledge and practical working base helping to inject new ideas, and desire to help the local community. Our aim of cultivating ministries from within has seen the junior minister being promoted.

TMCC can offer a range of services and prayer meetings during the week not only to the church community but to the local and wider community. Continued development of the IT systems and Website now affords sermons online for those unable to attend and to associates further afield. The Praise and Worship group has continued to develop and is regarded as an important integral part of any meeting.

This year has been successful in welcoming more families into our church. We are delighted that the evening Sunday service has grown and is a more reflective and sharing service as well as attracting guest speakers. Some Sunday morning services are more family orientated with an ever expanding Sunday school that is encouraged to perform in the family church service, the teens and young adults are also encouraged to participate.

Three Mile Cross Church

Report of the Trustees for the year ended 31 December 2020 (*continued*)

Achievements and Performance (*continued*)

Evangelistic opportunities have continued with outreach to the local area and care home. Christmas and Easter have seen special leaflet drops to promote the local community to meet with us, we have also continued to open links with local businesses. The development of a benevolent fund has proved beneficial to members and non members. This year we started a children's summer club that was successful with local children attending, we will continue as part of its aim is to engage non church families. We continue to support on our premises The Vine Christian School as part of the vision, it is open for attendance from any sector and encourage local parents to view.

The building complex has also been used for other Christian groups, secular meetings and events including electoral voting and development forums. Non secular meetings and teaching days have continued during the year, some being publicised locally.

Our mission in helping and demonstrating our faith continued with links to India including New Covenant Church and its associated orphanage with support, finance and visits. We also continue to support associates in Israel, in the UK Reading Schools Christian Work Trust, The Vine Christian School, and Micah Mobile Ministries. The church camp in Evesham was well attended and beneficial to other churches from other parts of the country being a hub for support and faith building.

Financial Review

During the year ended 31 December 2020 the charity had a total income of £100,517 (2019: £119,835), of which £92,804 (2019: £105,810) was from offerings and related tax credits.

During the year £4,049 (2019: £9,781) was given in gifts to third party organisations.

Total expenditure for the year was £107,943 (2019: £126,433). Overall, the charity's Funds decreased by a net £13,054 (2019: £10,055) in the year.

At the end of the year, the cash balance was £112,963 (2019: £130,473), of which £51,590 (2019: £53,841) was held in an interest bearing deposit account.

Investment Policy

Due to the relatively short time period between the receipt of funds and their expenditure, all the funds, with the exception of the Designated Fund, are held in cash. Funds not immediately required are held on deposit.

Three Mile Cross Church

Report of the Trustees for the year ended 31 December 2020 (*continued*)

Funds

The Unrestricted Fund includes cash and other current assets that are not immediately available for the charity to use. As the charity is dependent upon its regular offerings, together with tax reclaimed on Gift Aid donations, to fund ongoing ministries, the trustees consider that the element of Unrestricted funds that were available for immediate use to be £11,931 (2019: £28,555). The policy on funds and reserves is reviewed annually.

Restricted Funds includes deposits held for Church camp in Summer 2021, and amounts given for the acquisition and development of land and property on or near to Three Mile Cross Church.

Statement of Trustees Responsibilities

The trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.


Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and of the surplus or deficit of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the Board:

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Trustee - Deon Esterhuizen

Date: 8/31/2021

Three Mile Cross Church

Independent Examiner's Report to the Trustees of Three Mile Cross Church

I report on the accounts of Three Mile Cross Church Centre for the year ended 31 December 2020 which are set out on pages 9 to 17.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also Directors of the company for the purposes of Company Law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144 (2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to our attention.

Basis of 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 statement below.

Independent examiner's statement

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

- (i) which gives me reasonable cause to believe that in any material respect the requirements
 - (a) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - (b) to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 386 of the Companies Act 2006, and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities, have not been met, or
- (ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Mr Babu Samuel
date:
18e Battle Square
Reading
RG30 1AL

DocuSigned by:

8/30/2021
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Three Mile Cross Church**Statement of Financial Activities
For the year ended 31 December 2020**

	Notes	Unrestricted Funds £	Restricted Funds £	Designated funds £	Total 2020 £	Total 2019 £
INCOME AND EXPENDITURE						
Income from:						
Donations	3	92,568		-	92,568	107,202
Interest receivable		30	-	-	30	107
Charitable activities	4	206	7,713	-	7,919	12,526
Total		92,804	7,713	-	100,517	119,835
Expenditure on:						
Charitable activities	5	95,492	10,381	-	105,873	120,462
Governance costs	6	2,070	-	-	2,070	5,981
Total		97,562	10,381	-	107,943	126,443
Net Movement of funds before depreciation		(4,758)	(2,668)	-	(7,426)	(6,608)
Depreciation		2,714	-	2,914	5,628	3,447
Transfer between funds					-	-
Net Movement of funds		(7,472)	(2,668)	(2,914)	(13,054)	(10,055)
Funds b/fwd 1 January 2020		70,499	850,800	9,351	930,650	940,705
Funds carried forward at 31 December 2020		63,027	848,132	6,437	917,596	930,650

Three Mile Cross Church**Balance Sheet as at 31 December 2020**

		2020		2019	
	Notes	£	£	£	£
Fixed Assets					
Tangible fixed assets	13		800,208		792,890
Current Assets					
Debtors	14		6,175		9,037
Cash at Bank and in hand			112,963		130,473
			119,138		139,510
Liabilities falling due within one year					
Creditors	15		1,750		1,750
Net current assets			117,388		137,760
Net Assets			917,596		930,650
Funds					
Unrestricted Fund	16		63,027		70,499
Restricted Fund	16		848,132		850,800
Designated Fund	16		6,437		9,351
			917,596		930,650

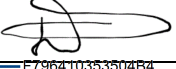
For the financial year ended 31 December 2020, the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year ended 31 December 2020 in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

Approved by the trustees on ^{8/31/2021} 2021

and signed on their behalf by

DocuSigned by:

 F796410353504B4...
 Trustee - Rev. Deon Esterhuizen

Three Mile Cross Church

Notes to the Accounts for the year ending 31 December 2020

1 Accounting Policies

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

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Three Mile Cross Church Centre meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required, and concluded that no restatements are required.

c) Preparation of the accounts on a going concern basis

The trustees are of the view that on the basis of existing reserves and continued stable levels of donations the charity is a going concern.

d) Income

Voluntary income, including donations, gifts and legacies that provide core funding or are of general nature are recognised where there is entitlement to the funds, any performance conditions attached have been met, it is probable that the income will be received and the amount can be measured reliably. Such income is only deferred when:

The donor specifies that the grant or donation must only be used in future accounting periods; or
The donor has imposed conditions which must be met before the charity has unconditional entitlement.

e) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of church members is not recognised and refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Three Mile Cross Church

Notes to the Accounts for the year ending 31 December 2020

1 Accounting Policies (continued)

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

g) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds
- Expenditure on charitable activities includes the expenditure associated with the maintenance of the church, pastoral team and gifts to missions.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Tangible fixed assets

The assets transferred at 1 January 2013 from Three Mile Cross Church Centre have been included at cost. It is not the policy of the charity to seek a revaluation of the property . Individual assets or building project expenses over £500 are capitalised at cost. No depreciation is charged on freehold land or buildings. Other tangible fixed assets are depreciated on a straight line basis over the five years. Fully depreciated assets are written off.

j) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Three Mile Cross Church**Notes to the Accounts for the year ended 31 December 2020****2 Legal status of the Charity**

The Charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

3 Income from donations

	Unrestricted Funds £	Restricted Funds £	Designated funds £	Total 2020 £	Total 2019 £
Offerings and Donations	80,781		-	80,781	92,669
Gift Aid Tax Refunded	10,787		-	10,787	13,533
Donated services	1,000	-	-	1,000	1,000
	92,568	-	-	92,568	107,202

Trustees and their related parties have made unconditional donations to the charity in the year. Such donations are a mix of regular donations where the donor is recorded by the charity for gift-aid purposes, and some are spontaneous cash gifts where only the gift and not the donor is recorded by the charity.

The charity is grateful to the Independent Examiner for his services. The value of this consultancy service to the charity is estimated at £1,000 (2019: £1,000). The estimated value of these services is recognised within incoming resources as a donation, and an equivalent charge included within governance costs.

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

4 Income from Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Designated funds £	Total 2020 £	Total 2019 £
Church camp	-	6,234	-	6,234	11,326
Other	206	1,479	-	1,685	1,200
	206	7,713	-	7,919	12,526

Three Mile Cross Church**Notes to the Accounts for the year ending 31 December 2020****5 Analysis of expenditure on charitable activities**

	Unrestricted funds £	Restricted funds £	Designated fund £	Total 2020 £	Total 2019 £
Salaries, National Insurance, Pension	42,018	-	-	42,018	48,483
Church gifts -Benevolent fund	850	-	-	850	670
Gifts to other ministries	2,278	1,771	-	4,049	9,781
Church camp	-	8,610	-	8,610	13,733
Utilities	6,347	-	-	6,347	8,786
Fire, insurance	4,331	-	-	4,331	3,683
Printing, postage and stationery	3,969	-	-	3,969	3,436
Sundry	1,323	-	-	1,323	949
Rent	20,302	-	-	20,302	20,200
Bank charges	273	-	-	273	388
Licences	1,078	-	-	1,078	957
Ministry books, tapes, Sunday School	403	-	-	403	285
Repairs and maintenance	10,042	-	-	10,042	4,775
Kitchen & cleaning supplies	2,098	-	-	2,098	3,948
Vehicle costs	179	-	-	179	388
	95,492	10,381	-	105,873	120,462

6 Governance costs

	Unrestricted funds £	Restricted funds £	Designated fund £	Total 2020 £	Total 2019 £
Legal and professional	2,070	-	-	2,070	5,981
	2,070	-	-	2,070	5,981

7 Net income/(expenditure) for the year

	Total 2020 £	Total 2019 £
This is stated after charging:		
Operating leases – equipment		838
Depreciation	5,628	3,447

Three Mile Cross Church**Notes to the Accounts for the year ending 31 December 2020****8 Summary of total expenditure**

	Gifts	Staff	Other	Total	Total
	£	costs	costs	2020	2019
		£	£	£	£
Direct church expenditure	4,899	42,018	58,956	105,873	120,462
	<u>4,899</u>	<u>42,018</u>	<u>58,956</u>	<u>105,873</u>	<u>120,462</u>

9 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	Total	Total
	2020	2019
	£	£
Salaries and wages	35,831	45,865
Social security costs	778	836
Pension costs	2,009	1,812
Benefits	3,400	-
	<u>42,018</u>	<u>48,513</u>

No employees had employee benefits in excess of £60,000 (2019: nil). Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

Other than as stated in note 11, no Trustee received payment for professional or other services supplied to the charity (2019: £nil).

The key management personnel of the charity, comprise the trustees and the Finance Manager. Total employee benefits of the key management personnel of the Trust were £39,687 (2019: £48,513).

10 Staff Numbers

The average monthly head count was 2 staff (2019: 2 staff) and the average monthly number of full-time equivalent employees (including casual and part-time staff) during the year were as follows:

	2020	2019
	Number	Number
Ministry	1	1
Governance	<u>1</u>	<u>1</u>
	<u>2</u>	<u>2</u>

Three Mile Cross Church**Notes to the Accounts for the year ending 31 December 2020****11 Related party transactions**

Rev Deon Esterhuizen, a trustee received remuneration of £36,900 (2019: £33,432) plus a pension contribution of £2,009. (2019: £1,812). No other trustee received any remuneration, although a related party of Rudolf Esterhuizen, Rev Deon Esterhuizen received remuneration as above, and a related party of Rev Deon Esterhuizen, Mrs René Esterhuizen received a salary of £2,331.

The church has a Professional Liability policy with a limit of £1,000,000 for all claims in aggregate at a cost of £2,583 and covering all trustees.

12 Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

13 Tangible fixed assets

	Freehold Land & Buildings	Equipment	Mini Bus	Total
	£	£	£	£
Cost				
As at 1st January 2020	786,683	69,041	14,570	870,294
Additions				870,294
Additions in the year	1,593	11,354	-	12,947
As at 31st December 2020	788,276	80,395	14,570	883,241
Depreciation				
As at 1st January 2020	-	65,992	11,413	77,405
Charge for the year	-	2,714	2,914	5,628
As at 31st December 2020	-	68,706	14,327	83,033
Net book value				
As at 31st December 2020	788,276	11,689	243	800,208
As at 31 December 2019	786,683	3,049	3,157	792,889

14 Debtors and prepayments

	2020	2019
	£	£
Gift Aid tax recoverable	590	724
Prepayments	3,110	5,838
Rent Deposit	2,475	2,475
	6,175	9,037

Three Mile Cross Church

Notes to the Accounts for the year ending 31 December 2020

15 Liabilities falling due within one year

	2020 £	2019 £
Accrued expenses	<u>1,750</u>	<u>1,750</u>
	<u><u>1,750</u></u>	<u><u>1,750</u></u>

16 Analysis of charitable funds

	Brought Forward			Inter-fund	Deprecia- tion	Carried Forward
	at 1.1.20 £	Income £	Expenditure £	Transfers £	£	at 31.12.20 £
Restricted Fund						
Property	786,683	-	-	-	-	786,683
Other	1,771	-	(1,771)	-	-	-
Visiting speakers	(1,479)	1,479		-	-	-
Camp	2,397	6,234	(8,610)	-	-	21
Land purchase fund	61,428	-	-	-	-	61,428
	<u>850,800</u>	<u>7,713</u>	<u>(10,381)</u>	<u>-</u>	<u>-</u>	<u>848,132</u>
Unrestricted fund						
General	70,499	92,804	(97,562)	-	(2,714)	63,027
	<u>70,499</u>	<u>92,804</u>	<u>(97,562)</u>	<u>0</u>	<u>(2,714)</u>	<u>63,027</u>
Designated fund (unrestricted)						
Capital equipment	9,351	-	-	-	(2,914)	6,437
	<u>9,351</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,914)</u>	<u>6,437</u>
Total Funds	<u>930,650</u>	<u>100,517</u>	<u>(107,943)</u>	<u>-</u>	<u>(2,914)</u>	<u>917,596</u>