

**ST MICHAEL'S WITHOUT
FINANCIAL STATEMENTS
31 DECEMBER 2023**

Charity Number 1130721

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FAMILY. JESUS. HEART.
OPEN. COMMUNITY. FOLLOW.
WELCOME. ENCOURAGE.
PRAYER. WORSHIP. JUSTICE.

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St Michael's Without Annual Report For 2023

Aims and purposes

St. Michael's Without Parochial Church Council (PCC) has the responsibility of cooperating with the incumbent, the Rev. Roger Driver, to promote within the ecclesiastical parish, the whole mission of the church: pastoral, evangelistic, social and ecumenical. The PCC is responsible for the maintenance of the parish church building on Broad Street.

Objectives and activities

The PCC and congregation are committed to open wide our church doors and fully engage with the community of Bath and visitors to the city. The PCC maintains an overview of all the church's activities and the use of the building to ensure that these are compatible with and promote our desire to demonstrate the Way of Jesus. The site of the current church has been a Christian presence for almost 900 years. It is a significant place both for visitors to the City, and also as a meeting and gathering place for local people - a place of community. Different buildings have come and gone but the constant has been the people, who are the Church.

In following Jesus, who is the Way, the PCC are committed to prayer and this is at the centre of what we do. In responding to His call on our lives, we in turn, are part of the ongoing work to encourage others to follow too. We seek to share the love of God through welcome and hospitality and a church building that is open daily, reaching out in practical ways to make a difference in people's lives and for the good of the city. We are not a perfect community, we don't always get things right and experience our share of struggles in life, but in all that, we still seek to follow Jesus faithfully because we know no better way. Our services and worship put faith into practice through prayer and scripture, music and sacrament. When planning our activities for the year we have considered the Charity Commission's guidance on public benefit and in particular, the supplementary guidance on charities for the advancement of religion. Specifically, we try to enable ordinary people to live out their faith as part of our parish community through:

- **Worship, Prayer & Teaching:** These are central to our activity of encouraging the Christian Community, through seeking God in prayer, worship and by studying the Bible.
- **Pastoral Care:** Provision of pastoral care for the congregation as well as people living in the parish who are part of the wider family of the church.
- **Café:** Hospitality is key to the vision we hold, to welcome all through the doors of the church building. The café is fundamental to this, providing refreshment and a reason for visitors to stay longer and meet with friends; for city centre workers to find a different space to sit away from the pressures of work and others looking for a quiet sanctuary for prayer or reflection. The missional purpose of the café is to enable the building to be open daily for those seeking refreshment and sanctuary.
- **Community Outreach:** Missionary and outreach work which happens in and through the building. As we look outwards, our connections with residents in the parish, community groups and those who inhabit the city centre, are important parts of our focus.
- **Social Action:** We continue active support of various Christian organisations in the City, through our Mission Partnership giving, and through other fundraising activities, particularly the Christmas Shop, which was managed entirely by St. Michael's for the second year running.
- **Gathering Place:** Hosting events that enable our building to be used for cultural and community activity; all of which are open to the whole community.

A Year in Summary

In this year's annual report, we are excited to share with you our ongoing commitment to placing mission and evangelism at the heart of everything we do. This priority serves as a constant reminder that all our endeavours must be centred around sharing God's love and proclaiming the good news about Jesus.

As we entered the new year, our Diocesan focus remained on 'living out the story of God's love and telling that story', to those around us. We strove to plan and shape our life together in a way that better serves and embraces our parish community. Through intentional activities and initiatives, we actively engage with our communities at personal, parish, deanery, and diocesan levels.

Our goal is to create meaningful connections and build relationships that reflect God's love in action. We are dedicated to fostering a missional mindset in all aspects of our ministry as we endeavour to reach more individuals with the message of hope and restoration.

As we move forward, we recognise the importance of adapting to changing societal and cultural contexts. We seek innovative ways to connect with people, meeting them where they are and bridging the gap between their needs and God's transformative power.

St Michael's Without
Report of the Trustees
Year Ended 31 December 2023

We are grateful for the opportunity to continue pursuing this mission in the coming year. Together, as a community united by faith, hope, and love, we can make a lasting impact on those around us by sharing God's love boldly and authentically.

Challenges and Growth

Over the past 12 months, we have faced challenges and experienced growth in various aspects of our ministry.

One significant development was the transition within our worship team. While we sadly saw the departure of our Worship Pastor Jacob Smith, we are incredibly proud of our Worship team for stepping up and leading us in our worship. Their dedication and talent have allowed us to maintain a vibrant and engaging atmosphere during our services.

We are grateful to have seen a regular pattern of small growth in our worship services. The number of attendees at the 9.30am has steadily increased over time as more people find the gentler start to a Sunday helpful. The coffee and pastries between services has developed into a good place for connection for the whole church.

Our vision and passion to keep the Church space open all week through the running of the cafe was and is being achieved. But, like many organisations in the city, we have encountered challenges in recruiting and retaining staff members in the cafe. The current job market poses hurdles when it comes to finding qualified individuals who align with our mission and values. Nonetheless, we remain committed to finding innovative solutions that will strengthen our team and enable us to better serve the community.

On a positive note, external events are continuing to build after a difficult period due to restrictions imposed by the pandemic. We continue to host the majority of the programme of Bath Recitals Trust and have welcomed new organisations as well as regulars. We have been active in making and drawing connections with the local community engaging both members of our congregation and visitors alike. A knitting circle, board games, friendship groups have provided unique opportunities for fellowship, discipleship, and outreach as we continue to navigate this 'post-pandemic recovery' phase.

Furthermore, there is a tangible shift in the city's atmosphere as it becomes busier with an influx of visitors returning after the pandemic. The footfall at the Christmas Market was not quite back to pre-pandemic times but not far off it. This presents us with new chances for outreach and hospitality as more people discover us as a place where they can encounter God's love and grace.

While facing changes in staff leadership, we remain steadfast in pursuing God's calling for us in this city. We are grateful for the growth we have experienced, the challenges that have spurred us to innovate and the opportunities to connect with an increasing number of individuals seeking meaning and purpose. We continue to be moved by what is written in the Prayer book and candles - the honesty of loss, love and need.

Our Mission, our Finances

St Michael's Without continues as an unusual charitable organisation with a Christian faith at its heart. We are pleased to report that we paid our parish share to the Diocese of Bath & Wells in full. We also believe that it is important to support other organisations with aligned missional objectives. More details of this are given under a separate heading.

The congregation decided many years ago to reorder the church building and make it available 7 days a week for worship, hospitality, welcome and a resource to people of faith and people of none. The financial structure that supports this is thus different to a more conventional parish church. Nevertheless, the foundation of our financial arrangements is that the congregation should support the day-to-day functions of a church, with any surplus available to support our mission. The trading elements of our mission activity; café, concerts, exhibitions etc, should at worst be cost neutral and at best contribute to further development of this and other outreach activity.

2023 has been a year of financial challenge for St Michael's Without. In the last annual report, we identified that giving from the church congregation was static or on a downward trend. It is impossible to know for certain the impact of cost-of-living pressures and whether this had affected the ability to give to church. A direct appeal to the congregation elicited a limited response, some did indeed review their giving and decided that it was already at their limit, a few increased their offering. However, there is evidence that church members moving away from St Michael's and ceasing their regular giving are not being replaced by new regular giving from those joining.

Against this backdrop, routine outgoings of staffing, energy bills and maintenance showed upward trends.

Income from our charitable trading did not meet budgetary expectations. The margin on café operations was unpredictable and showed an overall loss until the seasonal uptick toward Christmas. Event income remained at levels below the norm pre-pandemic. The crypt is now perceived to be less lettable without investment and refurbishment. Because of legal discussion and debate about the terms of a new agreement, income from Telefonica for their use of the tower to house telecommunications relay equipment is significantly overdue. No payments for this have been received since 2021.

As a result of these contributory factors St Michael's charitable funds are £10k less than at the start of the year. This is not immediately critical; however, action must be taken in 2024 to prevent this worsening. The church congregation should be encouraged to appreciate that they are in danger of not meeting the routine church operational costs. Our mission activities must be closely monitored to ensure that they are supporting our aims, not detracting from them. Whenever an organisation faces financial challenge there is usually hard choice to either increase revenue or cut expenditure and St Michael's Without finds itself in that position now.

Despite the challenges, we always keep in mind our dependence on God's grace and provision. We approach our ambitions and plans with humility, relying on God's guidance to discern the right path. We have faced similar challenges in the past, where faith in what we believe has been rewarded. We trust that as long as we continue seeking and following God's direction, while applying sensible management and decision making, He will continue to bless His work through our church family and into the wider community, providing a beacon of hope and transformation in both our local community and beyond.

Church Reserves Policy

The PCC determined many years ago that a reserve should be held as a financial buffer against circumstances where the church and its trading activities were unable to operate normally for an extended period of time. This was set at a notional amount of £30,000 but was reduced due to financial pressure in 2018/19 to £20,000. Interest credit has increased the reserve to the current level of £?????. In an ideal world it would be good to anticipate a time when a significant end of year surplus could be used to increase our reserve. However, we continue to trust that a combination of God's provision and careful management will allow us to continue to operate the church in a sustainable way.

Café Operations

In comparison with 2022 Café performance showed a deterioration. We have previously acknowledged that the approach to Christmas is a busy time when increased footfall due to our sale of Christmas cards and also the Bath Christmas market means that the café exceeds routine trading levels. Thus, trading margins are usually modest until November and December. In 2022 the café showed a positive margin of £1800 at the end of October. However, in 2023 this figure was in deficit by £1400.

The reasons behind this are always multifactor. The cost-of-living crisis will have had an impact as did increased stock costs; we also experienced high staff turnover. Other issues resulted in several full and part-time staff members resigning their positions at short notice at the end of October.

The stark choice became one of either realising the loss at that point and close the café or seek a temporary arrangement to continue café operations throughout November and December. We were fortunate to have already advertised for seasonal working in anticipation of the higher trading levels pre-Christmas. Our selection of staff from this pool was very successful. These new staff in combination with good legacy staff and wide support and management on a volunteer basis (for which we are grateful to Andrew Tapsfield) enabled successful trading in the run up to Christmas and a positive contribution to church funds. It should be noted that there was no paid management during this time which reduced the cost base.

The deeper understanding of the café operation gleaned during this time has the potential to further enhance the café offer to our customers and provide more predictable income to church

funds to assist with increased energy bills. In that respect the crisis experienced in 2023 has produced some good which can be built upon.

The challenge in 2024 is to make a considered transition away from the current level of volunteer involvement which is unsustainable, to one where a new cafe manager is appointed and appropriate staffing is maintained efficiently. Nevertheless, routine oversight and financial monitoring will be essential to spot adverse trends quickly and apply proper corrections.

Staff Team

The staff team is led by the Rector, supported by a dedicated core group known as the Ministry Team. This team, consisting of licensed and Permission to Officiate Clergy, Readers, Children's & Family Pastor, and Administrator, meets regularly to coordinate various activities and initiatives.

We would like to express our gratitude for the invaluable assistance provided by our volunteers. Their commitment and dedication have played a crucial role in the successful execution of our programs and the upkeep of our facilities. We especially want to acknowledge Ken Slade and Dave Snook for their outstanding contributions in overseeing health and safety measures within our buildings, as well as handling minor repairs. We are also thankful for the members of the PCC (Parochial Church Council) and the Ministry Team for their ongoing support.

In our office, we have a core team responsible for ensuring smooth administrative operations. Lisa Ware serves as an Administration and Events Coordinator, while Paul Trembling, before his retirement in October, worked part-time as an Assistant Bookkeeper. Our main Bookkeeper is Lesley Davies who primarily operates off-site. Additionally, we employ a mix of full-time and casual staff members to manage our café and assist with events. Andrew Chrystal worked in his role of Cafe and Hospitality Manager, before he moved on, and we are very grateful for the work that he did in helping build and develop the functioning of the café. Andrew Tapsfield did truly heroic work as acting Manager at the end of the year which meant that, despite, the early challenges of the year the cafe figures look healthy.

We truly appreciate the dedication and hard work of all these individuals who contribute to the overall success of what we do as a Church.

Safeguarding

We aim to make St Michael's a place where anyone who comes feels welcomed and part of a safe community. Therefore, safeguarding is a responsibility of everyone in the church and we felt it important to promote this ethos more specifically during the year. There were no actual safeguarding incidents reported and work was begun on an audit of our safeguarding processes. This has included monitoring safeguarding training undertaken by staff and volunteers and ensuring our safeguarding related records are held confidentially utilising the Parish Dashboard system.

Children's and Youth Work

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Community engagement

For some time now we have had U3A (University of the Third Age) come and use our space. They come armed with rolled up chessboards, numerous bags of Rummikub, turntable scrabble assemblages and the occasional heated backgammon. With coffee and cake, the battles begin, and there is here a great opportunity to laugh, listen and love.

Giggling, crying, chatting, and wailing can often be heard when we get invaded by tiny feet; the Baby Café is a safe, secure and a 'sunshine' space. Mark is such a gift and many parents, and their offspring have come and felt it a place to unwind and refresh. The Baby Café runs on a Tuesday and a Friday but even on the other days, the café team will put out the mats, and making all feel so welcomed.

Needles, crochet hooks, fixed circulars, and plenty of yarn. Chatter and care would be the two main elements that the Knitting Club has had the opportunity to give. Meeting on a Monday, the club has had an incredible impact in reaching out to those that would otherwise struggle to connect. The gentle rhythm of needle and yarn, belies the intricate and delicate work, and so, with the conversations and interactions. Much is said with little spoken.

There are many that come alone, some from having lost their partner and want to be surrounded by life. Others come, from the street, because they want not to be surrounded by life. Here is a ministry of listening, of seeing them and of friendship. Many have a routine, the same coffee, Americano with hot milk and a Date Cake or a pot of English Breakfast and a packet of crisps. Our ministry is to be part of their routine – for them to learn to trust, to undo the walls that separate and to hear their story and share our own.

And of the last, what can we say – The Friday Fellowship, the Tuesday and Thursday church regulars these are the real treasure of our church. With ready smiles, warm and kind words, many a stranger has been made to feel welcomed. Stories of the war still abound but also lots of laughter. Over the years these pioneers have formed deep friendships with many, seeds have been sown, prayers oft spoken and love unconditionally given.

Our Mission Partners

St. Michael's gave £9900 financial support to our Mission Partners through 2023, which is made up of £7500 from our undesignated funds and £2400 from a specific fund-raising evening. Under our current budget we intend to give £5000 per annum from church funds; the £7500 included a delayed payment from the previous year ending 31 Dec 2022.

Our Mission Partners are chosen by St. Michael's PCC as organisations that are in line with our Vision and Priorities. We try to achieve a balance so that we are supporting missional work in the UK and internationally, as well as considering different groups of people and the variety of needs and opportunities that exist.

- **Ripple Effect** - the new name for "Send a Cow". Bringing smallholder farmers together to learn new skills and share knowledge so they can improve their livelihoods and thrive.
- **Tearfund** - Working with local churches and organisations in more than 50 countries to tackle the complex challenges of poverty.
- **Genesis Trust** - Meeting the needs of hungry, homeless and vulnerable people in Bath and the surrounding area with a series of interlinked projects. As a Christian charity, Genesis works with local churches and volunteers in the wider community in Bath and the surrounding area.
- **Just Love** - Aiming to equip UK students and support alumni to pursue justice with their whole lives.
- **World Sport Ministries** - Enabling people and churches to use sports outreach impacting all peoples from all nations.

Structure, governance & management

The PCC convened 8 times during 2023.

The APCM was held on Monday 5th June 2023, when one PCC member retired and two replacements were elected for a three-year period. There was one resignation in February 2023.

The Standing Committee, executed the business of the PCC between meetings of the Council. In 2023 the members were Roger Driver (Rector), Rachel Snook (until April) and Jane Pleace (Church Wardens), Rachel Walker (PCC Secretary) and Andrew Tapsfield (Treasurer). The Standing Committee met informally in church after services and on Zoom, email and reporting to the PCC at the next following meeting.

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting 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 charity will continue in business.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed/constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on order of the Trustees by

Rev R Driver

Date:

Administrative Information

St. Michael's Church is situated on Broad Street, Bath. The correspondence address is St Michael's Without Church, Broad Street, Bath, BA1 5LJ. It is part of the Diocese of Bath and Wells within the Church of England. The PCC is a body corporate (PCC Powers Measure 1956, Church Representation Rules 2006) and is a charity which holds registration with the Charity Commission – Charity Number 1130721

Parochial Church Council

The Council consists of ex-officio members (The Rector as Chair, the Churchwardens, the Readers and Deanery Synod representatives) and up to 12 elected members. PCC members serving in 2019 until the date this report was approved are:

INCUMBENT:	Revd. Roger Driver
ASSISTANT CURATE:	Revd. Simon Winchcombe
CHURCH WARDENS:	Andrew Tapsfield Jane Pleace
READERS:	Marian Marlow (Retired 2023), Sheila Watters
DEANERY SYNOD REPS:	Steve Egan, Jane Pleace
ELECTED 2021:	Jon Webb-Peploe
ELECTED 2022:	Rachel Walker Charles Betts Mirna Dean Alistair Haggerty
ELECTED 2023:	Charles Dods Sue Snell

I report to the trustees on my examination of the accounts of St Michaels Without (the Charity) for the year ended 31st December 2023.

Responsibilities and basis of report

As the charity trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Neil Kingston, FCA
Burton Sweet Chartered Accountants
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Date: