

ST MICHAEL'S CJC

**TRUSTEES' REPORT AND UNAUDITED
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2022

ST MICHAEL'S CJC

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ST MICHAEL'S CJC

CHARITY INFORMATION

Charity number	1182176 (England & Wales)
Governing document	ST MICHAEL'S CJC is an independent charitable incorporated organisation.
Trustees	Rev Eulalee Joyce Ferguson Dr Ruthline Maria Laylor - Chairman Ms Olivene Patricia Ferguson Ms Carol Spencer
Pastor-in-charge	Rev Eulalee Joyce Ferguson
Charity contact	Ms Olivene Patricia Ferguson
Principal address	Suite 115, Harrow House 176 Station Road Harrow Middlesex HA1 2RH.
Independent examiner	<i>Practical Advice Consulting Limited</i> 1000 Great West Road Brentford Middlesex TW8 9DW
Principal Bankers	NatWest Kingsbury 567 Kingsbury road London NW9 94P.
Website	www.stmichaelscjc.org
Email	info@stmichaelscjc.org

The Trustees present their annual report and unaudited financial statements for the year ended 31 March 2022.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their account in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

St Michaels CJC is a Charitable Incorporated Organisation (CIO) whose objectives are summarised as follows:

- (i) The advancement of Christianity as a religion
- (ii) Relieve hardship
- (iii) Social inclusion for marginalised groups
- (iv) Any other charitable purposes deemed appropriate

The Board of Trustees comprises four trustees, which has remained unchanged from previous years. The chairperson convened one Trustee meeting for the year. The number of members is also static, and there have been no significant structural changes to report. Since its registration, the church has not negotiated any exceptional circumstances, extraordinary events, or problems beyond what is contained in this report.

For another year, the global pandemic has precipitated severe, extensive restrictions. These extraordinary circumstances, combined with the Russia-Ukraine conflict, have become the impetus for significant socio-political uncertainty, creating a financially challenging environment in which to operate. Additionally, while people have adjusted to working remotely, the prospect of returning to working in person was a concern for many—conversely, those who had experienced significant isolation worried about enduring a further extended period of restrictions. We also acknowledge the persisting anxieties in response to the continued presence of COVID-19, the sudden abandonment of restrictions, and the ongoing controversy surrounding the vaccination programme. While there has been an increase in the need for pastoral care and support, such emotional concerns have impacted levels of engagement and volunteering capacity as people prioritised the need to redress their circumstances.

Consequently, the focus for the fiscal year was to ensure both the financial viability and sustainability of the church. Accordingly, we have sought to cut costs and keep overheads low and have continued to scale back more ambitious projects. The previous transition of our services online has proved effective, and the uptake remains stable. To this end, we elected to stay fully online and have not taken on the commitments of a lease and the associated liabilities that would ensue.

Key Achievements

1. Advancement of Christianity

For another year, the transition of worship and wider religious engagement online remained successful. The Children's Ministry expanded with consistent engagement throughout the year. This has afforded greater access to single-parent families and facilitated more effective lines of communication. Additionally, the online platform has enabled more efficient access to non-Christians, who appear more willing to capitalise on the ability to join from the comfort of their home. This has enabled an increase in the uptake of pastoral care and support to those not members of the church, thereby promoting the relevance of the Christian faith in a tangible way to a wider audience.

2. Relief Hardship

Dependency on food banks has increased exponentially over the last decade – an indication of increased poverty in the UK (The Trussell Trust, 2022). The Trussell Trust (2022) noted that those at higher risk included single parents, ethnic minorities and those experiencing poor health. This has indicated that prioritising the homeless and the elderly for our Hot Meals Programme remains appropriate. However, accessing the homeless within the African and Caribbean populations was particularly challenging. There is a shortage of resources for this subgroup, and their uptake of formal support tends to be low.

The elderly and other homeless groups have continued to benefit from the programme. With an impending unfavourable economic climate characterised by an increase in the cost of living, there is the anticipation of continued demand for this service. Ways to better exploit this opportunity to help those most in need warrant further consideration.

3. Social inclusion for marginalised groups

Social isolation poses an increased risk to the elderly due to declining health and mobility. The onset of the pandemic and the extension of imposed restrictions for another year exacerbated it. The inability to navigate technological resources or access the necessary support heightens this risk. The church has refrained from providing technological support beyond individuals assisting their relatives, which creates an unmanageable exposure to safeguarding risks. Therefore, support has continued by telephone contact, doorstep visits, and hot meals where needed.

4. Other charitable purposes

Considering the expected social, financial, and economic challenges that have ensued because of the severe, extended restrictions due to the pandemic, no new initiatives, ventures, or projects have been pursued in accordance with the charitable activities.

5. Governance and compliance

Building on the significant undertaking of Learning & Development during the previous year, the focus on developing a robust policy framework has continued. Progress has not been as planned due to the need to attend to the delivery of frontline services – which received a healthy response – and the limited resources available to undertake the policy development work. There is a continued focus on Safeguarding and privacy.

Financial Transaction Involving Related Parties

The only related parties are Olivene Patricia Ferguson and Eulalee Joyce Ferguson.

Persistent difficulties have been experienced in obtaining a debit card for the business account. Over the years, efforts have been frustrating because Natwest has not advised of the problem with the numerous applications submitted but has repeatedly forwarded new application documents for completion or just not processed the application submitted. Ongoing discussions are being held with the bank. In the interim, wholesale and essential purchases have been made by Olivene Patricia Ferguson and Eulalee Ferguson and reimbursed with total receipts checked and verified by third parties.

It is recognised that this is not ideal, and steps are being taken to resolve the matter with banking personnel.

Major Risks Management

Firstly, the discontinuation of in-person services continues to pose a risk of losing core attendees due to the change in engagement. However, outdoor community events have been organised to allow people to gather safely to reduce the potential risk where restrictions have eased.

Secondly, severe restrictions imposed in response to the pandemic saw many people furloughed and plunged into a financially constrained situation. This did not exclude church supporters, and a substantive fallen income has transpired. The financial factor identified above suggests that funding will continue to be an issue across all areas. Therefore, to ensure the church's sustainability, the Board of Trustees aim to:

1. Retain and improve its online presence to mitigate the financial pressure associated with the lease or hire charges and research additional opportunities to expand the community served.
2. Explore opportunities to collaborate with other charitable and not-for-profit organisations to fulfil the charitable objects and minimise financial liabilities.
3. Seek opportunities to diversify its income stream, including grants, sponsorship, and joint ventures.
4. Ensure that existing projects are run as economically as possible and that no new ventures are launched unless necessary with an elevated level of financial viability.

Review of financial position

During the year ended 31 March 2022, there were incoming resources of £18,824 (2021: £34,621) and total resources expended of £29,338 (2021: £27,490), resulting in a deficit of £3,383. The incoming resources decreased by 46% compared to last year. This is mainly due to the Covid-19 impact.

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. The Trustees have considered the impacts that the Covid-19 pandemic may have on the Charity, and it is deemed that the Charity can meet its commitments and liabilities and can continue for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Impact of Covid-19

The lockdown has continued to impact Charity's income in the coming year - 2023, as the regular fundraising activities of the Charity have yet to return to the pre-Covid-19 level. The income impact could be significant but not detrimental to the going concern of the Charity. The Trustees have confidence that the Charity is financially stable.

Plans

- 1) The Russia-Ukraine conflict, recovery from the pandemic, the protracted finalising of UK relations with the EU, and other socio-economic factors and stressors are providing substantive indicators of increasingly challenging times impending, with far-reaching financial implications. Hence, a significant rise in those experiencing financial hardship and poverty is anticipated, which will increase the need for the church to play its part in alleviating suffering where possible. Simultaneously, our members and donors will invariably be subject to these conditions. Therefore, St Michael's CJC must prioritise its financial sustainability by maintaining financial liabilities at a minimum level, diversifying its income streams, and ensuring that the most cost-efficient methods are employed in the running of existing ventures. Furthermore, sustainability must be a priority consideration in determining any new venture.
- 2) In light of the expected change in financial climate, it has been recognised that it is no longer viable to undertake any commitments to those with disabilities. This is a highly specialist area that is heavily regulated, and creating projects, programmes and services that are compliant will require significant investment in training, raising awareness and potential professional registration for some areas. St Michael's CJC will need to consider whether or not this remains a viable object for the church and addresses it accordingly.
- 3) The church will seek to establish additional avenues that maximise levels of engagement with the broader community and create more opportunities for meaningful connections; to better exploit existing associations and relationships with those outside the Christian faith to strengthen relationships, facilitate diverse lines of communication and increasing the relevance of the church to their lives on a personal and practical level; thereby enabling access to a wider audience.
- 4) Working in isolation can often lead to duplication in the provision and unnecessary stress on limited resources. As a result, St Michael's CJC will endeavour to increase strategic partnerships conducive to fulfilling the charitable objects of the church, as well as enhancing our governance and leadership capabilities. Identifying locality teams to increase the uptake of the hot meals project through a referral process will better ensure that the service is delivered to those most in need.
- 5) The ongoing undertakings of developing a meaningful policy framework that is fit-for-purpose and workable, where all tensions and conflicts have been identified and redressed accordingly, will remain a key priority to ensure our commitment to good governance.

Approved by the Board of Trustees and signed on its behalf

O P Ferguson

Patricia Ferguson

Chairman

Date: December 2022

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ST MICHAEL'S CJC

FOR THE YEAR ENDED 31 MARCH 2022

Independent examiner's report to the Trustees of St Michael's CJC ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2022.

Responsibilities and basis of report.

As the Trustees of the Charity, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 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 the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the Charity has prepared the accounts 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 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.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Matthew Odu
Practical Advice Consulting Limited
1000 Great West Road
Brentford, Middlesex
London
TW8 9DW

Date: December 2022

ST MICHAEL'S CJC

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Note	Unrestricted Funds £	Designated Funds £	2022 £	2021 £
INCOMING RESOURCES					
Incoming funds from generated funds					
Voluntary income	2	18,824		18,824	34,618
Interest income		-		-	3
Gift aid repayment		-		-	-
Total incoming resources		18,824		18,824	34,621
RESOURCES EXPENDED					
Cost of generating funds					
Fundraising costs and other costs	3	14,229	-	12,650	12,650
Charitable activities	4	11,979	-	11,979	10,678
Support costs	5	2,949	-	2,949	3,868
Legal costs and other professional fees	6	-	-	-	-
Other resources expended	7	181	-	181	294
Total resources expended		29,338	-	29,338	27,490
Net incoming/(outgoing) resources before other recognised gains and losses					
		(10,514)	-	(10,514)	7,131
Other recognised gains		-	-	-	-
Net movement in funds		(10,514)	-	(10,514)	7,131
Funds brought forward		7,131	-	7,131	-
Total funds at 31 March		(3,383)	-	(3,383)	11,302

ST MICHAEL'S CJC

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	2021 £
Fixed assets			
Tangible fixed assets	11	-	-
		-	-
Current assets			
Cash at bank and in hand		10,501	15,615
Prepayment		-	-
		10,501	15,615
Current liabilities			
Creditors and accruals		(13,884)	(4,313)
Current portion of long-term loans		-	-
		(13,884)	(4,313)
Net current assets		(3,383)	11,302
Total assets less current liabilities		(3,383)	11,302
Long term loans		-	-
		(3,383)	11,302

ST MICHAEL'S CJC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

Funds of the Charity

Unrestricted fund	(3,383)	11,302
Restricted fund	-	-
	(3,383)	11,302

The financial statements were approved by the Trustees on December 2022 and signed on their behalf by:

O P Ferguson
.....
Patricia Ferguson, Acting Chairman

C Spencer
.....
Carol Spencer, Financial Trustee

The notes on pages 11 to 14 form part of these financial statements.

ST MICHAEL'S CJC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Principal accounting policies

Basis of accounting

The accounts 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 for Smaller Entities published on 16 July 2014 and the Charities Act 2011 and applicable regulations.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated.

Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustees in furtherance of the general charitable objectives.

Restricted funds are subject to specific restrictions as imposed by the donors.

Incoming resources

Income represents donations and investment income received, which are brought into account on receipt unless their receipt is reasonably certain in which case they are brought into account when notified.

Fundraising income is recognised on the date that the fundraising event took place.

Resources expended

Expenditure is recognised when a liability is incurred. Expenditure includes VAT. Fundraising costs include those costs relating to special programmes and sponsored activities.

Charitable activities wholly related to grants and sponsorships to those the Charity is committed to support through its activities.

Governance costs include those incurred in the governance of the Charity and its assets and are primarily associated with constitutional and statutory requirements.

Other resources expended relate to those other costs that cannot be attributed to any other relevant heading.

Depreciation

Depreciation on fixed assets is charged so as to write off their full costs less estimated residual value over their expected useful lives at the following rates:

Computer equipment	50% straight line
Other equipment	25% straight line
Motor vehicle	25% straight line

2	Voluntary income	Unrestricted £	Designated £	2022 £	2021 £
	Tithes	11,575		11,576	22,744
	Offering	4,405		4,405	9,747
	Other donation	2,844			2,127
				2,844	
		<u>18,824</u>	<u>-</u>	<u>18,824</u>	<u>34,618</u>

ST MICHAEL'S CJC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

3	Fundraising costs and other costs	Unrestricted £	Designated £	2022 £	2021 £
	Rent	7,390	-	7,390	7,843
	Mortgage interest	-	-	-	-
	Fundraising events	2,824	-	2,824	2,200
	Publicity and evangelism	2,029	-	2,029	1,301
	Stationery, printing & postage	1,987	-	1,987	1,306
		14,229	-	14,229	12,650
4	Charitable activities	Unrestricted £	Designated £	2022 £	2021 £
	Welfare & entertainment	11,979	-	10,083	10,678
	Indirect donations	-	-	-	-
		11,979	-	10,083	10,678
5	Support costs	Unrestricted £	Designated £	2022 £	2021 £
	Transport and travelling	-	-	-	-
	Repairs and renewals	-	-	-	-
	Independent examiner fee	1,367	-	1,367	1,250
	Software	411	-	411	317
	Depreciation	-	-	-	750
	Training	1,171	-	1,171	1,551
		2,949	-	2,949	3,868
6	Legal costs	Unrestricted £	Designated £	2022 £	2021 £
	Legal and professional costs	-	-	-	-
		-	-	-	-
7	Other resources expended	Unrestricted £	Designated £	2022 £	2021 £
	Insurance	151	-	151	216
	Telephone & communication	-	-	-	-
	Bank charges	30	-	30	78
		181	-	181	294

ST MICHAEL'S CJC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

8	Analysis of net assets		Fixed assets £	Net current Assets £	Total 2022 £	Total 2021 £
	Unrestricted funds		-	(3,383)	(3,383)	11,302
	Designated funds		-	-	-	-
	Endowment income		-	-	-	-
			-	(3,383)	(3,383)	11,302
9	Unrestricted funds	At 1 April 2021 £	Funds Introduced £	Incoming Resources £	Resources Expended £	At 31 Mar 2022 £
		11,302	-	18,824	(29,338)	(3,383)
		11,302	-	18,824	(29,338)	(3,383)
10	Designated funds	At 1 April 2021 £	Funds introduced £	Incoming Resources £	Resources expended £	At 31 Mar 2022 £
	Building fund	-	-	-	-	-
		-	-	-	-	-
11	Tangible fixed assets					
	Tangible fixed assets	Freehold property	Computer Equipment & Other Assets	Total 2022		2021
	Cost:	£	£	£		£
	As at 01 April 2021	-	1500	1500		1500
	Addition	-	-	-		-
	At 31 March 2022	-	1500	1500		1500
	Depreciation:					
	As at 01 April 2021	-	1500	1500		750
	Addition	-	-	-		-
	At 31 March 2022	-	1500	1500		750
	Net book value:					
	As at 01 April 2021	-	-	-		750
	At 31 March 2022	-	-	-		-

ST MICHAEL'S CJC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

12 Taxation

St Michael's CJC is a registered charity and therefore is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

13 Trustee remuneration and reimbursed expenses

None of the Trustees received remuneration for their services during the year. No payments were made for their travel and administration expenses.

Signature: 
P Ferguson (Dec 16, 2022 15:09 GMT)

Email: patricia@stmichaelscjc.org

Signature: 
Carol Spencer (Dec 18, 2022 10:02 GMT)

Email: carol@stmichaelscjc.org

St Michael's CJC_ Annual Report & Accounts 31 March 2022

Final Audit Report

2022-12-18

Created:	2022-12-16
By:	Matthew Odu (m.odu@practicaladviceconsulting.co.uk)
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 Signer patricia@stmichaelscj.org entered name at signing as P Ferguson

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