

ST MICHAEL'S CJC

**TRUSTEES' REPORT AND UNAUDITED
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED *31 MARCH* 2023

PRACTICAL ACCOUNTANT
(Chartered Accountants)
1000 Great West Road
Brentford
Middlesex
TW8 9DW

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 – resigned 8 th May 2022 Ms Olivene Patricia Ferguson Ms Carol Spencer Ms Angela Haughton – appointed 5 th August 2022 Ms Angela Forrest – appointed 5 th August 2022
Pastor-in-charge	Rev Eulalee Joyce Ferguson
Charity contact	Ms Olivene Patricia Ferguson
Principal address	Rye House (Suite 166) 161 High Street Harrow Middlesex HA4 8JY
Independent examiner	Practical Accountant (Chartered Accountants) 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 2023.

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 religion
- (ii) Relieve of the effects of financial hardship and poverty
- (iii) Any other charitable purposes deemed appropriate

There are changes on the Board of Trustees during the year. The chairperson, Ruthline Laylor, resigned on 8th May 2022 and Patricia Ferguson acted as interim chairperson pending the appointment of Angela Haughton. Angela Haughton was duly appointed as a Trustee and chairperson on 5th August 2022 along with Angela Forrest. The Board of Trustees met once for the year, and minutes of the meetings are appended. There were a few potential risks that were identified with steps taken to mitigate the same, which have led to material changes to the composition and commitments of the church. The church has not negotiated any exceptional circumstances, extraordinary events, or problems beyond what is contained in this report.

The emergence from the global pandemic combined with the war in Ukraine, rising inflation and other socio-economic and political pressures has initiated substantive rises in the cost of living, from which the church has not been exempt. It has culminated in a financially challenging climate in which to operate. In addition, the readjustment to the return to working in-person has proved difficult for many individuals who had settled into working remotely. This was further compounded by the persisting anxieties surrounding COVID-19, the abandonment of restrictions, and ongoing ambivalence surrounding the vaccination programme. While there has been an increased need for pastoral care and support, such emotional stressors have impacted levels of engagements and volunteering capacity, as individuals prioritise the need to redress their personal circumstances.

Consequently, the focus for the past financial 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 remain fully online and have not taken on the commitments of a lease and the additional significant expenditure that would be incurred as a result.

Key Achievements

1. There were no COVID-19 related deaths within the church or among the close associates of anyone in the church. As society began to navigate its emergence from the prolonged period of imposed insularity, it was acknowledged and celebrated that the church was blessed to not lose a single congregant to COVID-19. Neither was there any psychological distress or emotional trauma experienced, as no person within the church suffered the loss of any close relations, friends, or associates. There were only two deaths and both persons were elderly and had longstanding compromised health profiles. Only one person was hospitalised upon contracting the virus but recovered. While significant emotional support and pastoral care was provided, the uptake was among the wider community. This provided a psychological and spiritual boost for the church community.
2. In-person events promoted new connections with new families and a wider cross-section of the local community. A few in-person events were organised, some of which had a level of attendance that was better than expected. This provided additional opportunities to connect with others and demonstrate Christian principles of love and acceptance. These avenues also have scope for further growth and development and for sharing of the gospel of the Lord Jesus Christ, particularly in these testing times of increased anxiety and worry prevalent throughout society.
3. New links are being nurtured with local food banks, to enable us to support their efforts in alleviating the effects of financial hardship and poverty. While the cost-of-living crisis has increased the generic demand for fundamental necessities to sustain life, such as food, we have been able to divert support to local food banks, that continued to struggle to meet the increase in demand. This enabled us to help aid a wider cross section of the community, proved a better use of available resources and complemented our cost-cutting initiatives. Support was still afforded to the homeless individuals referred by

the local authority, single-parents experiencing significant financial distress, and the elderly while the programme was wound-down – there were no new referrals, and none were actively sought.

4. Budgetary controls and cost cutting measures implemented were extremely effective in facilitating the financial control needed to ensure the financial stability and sustainability of the church. Following the substantive decrease in revenue during the pandemic and little sign of recovery, the trajectory indicated a need to significantly cut spending. The subsequent imposition of strict spending control proved successful in bringing spending in line with our income, with some ability to increase our financial reserve which can be further extended.

Major Risks Management

The inability to maintain the minimum numbers of trustees required to sustain operations was identified as potential risk. Consequently, appropriate steps were taken to increase the number of trustees to five pursuant to a meeting of the members. The number of members has also increased proportionately.

Subsequent to the aforementioned socio-economic pressures, there were concerns regarding the potential risk of failed compliance. The requirement to meet all objects independently of each other required more substantive action on the original third object. Unfortunately, this would require substantive investment in order to fulfil the requirements of the various national disability frameworks. To circumvent this risk, a successful application was made to the Charity Commission for the removal of the same.

Given the austere financial environment that is expected to persist for the next couple of years, it is imperative that financial controls remain robust and spending is kept minimal. Fundraising efforts must ensure that returns on investments are maximised as far as possible. Additionally, attention must be given to innovative revenue generation strategies derived from more diversified sources. Working in partnership with reputable organisations should continue to further reduce the liability to which the church is exposed.

Review of financial position

During the year ended 31 March 2023, there were incoming resources of £18,680 (2022: £18,824) and total resources expended of £22,289 (2022: £29,338), resulting in a deficit of £3,609. As at 31 March 2023, St Michael CJC had total funds of £(6,992). The incoming resources decreased marginally compared to last year. This is largely due to Covid-19 impact. However, the Charity is financially stable.

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 for 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 the Charity's income in the coming year - 2024. As the regular fundraising activities of the charity have not returned to pre-Covid-19 levels. 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.

Future plans

1) Continued economic stressors are providing indication that the current climate is expected to persist, with far-reaching implications for the immediate future. 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. It is, therefore, imperative that church strikes a careful balance between fulfilling its objects and maintaining its financial viability and sustainability. Keeping financial liabilities at a minimum while diversifying income streams and ensuring that the most cost-efficient methods are employed in the running of existing ventures, all remain imperative.

2) Given the year-on-year successful utilisation of online platforms, it has been recognised that individuals are more a depth with the various technologies. Support needed for seniors to ensure they are not excluded, have also been established. As such, opportunities to extend the use to create additional avenues for engagement with a wider cross-section of the community is to be explored and facilitated. No additional investment is required, and it is quick, efficient, and effective in easily reaching a wide range of people.

3) Efforts to forge meaningful collaborations and strategic partnerships with other reputable organisations to continue, with priority given to those areas where contact has already been established to ensure that all available opportunities are fully exploited. This will include continuing support to the local food banks via dual modalities of food supplies and human resources. Additionally, wherever possible, these opportunities, projects and ventures should be used as engagement opportunities.

Approved by the Board of Trustees and signed on its behalf

AR Haughton

Angela Haughton

Chairman

Date: 28 December 2023

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ST MICHAEL'S CJC
FOR THE YEAR ENDED 31 MARCH 2023

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 2023.

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 ACCOUNTANT

Chartered Accountants

1000 Great West Road, Brentford

Middlesex

TW8 9DW

29 December 2023

ST MICHAEL'S CJC**STATEMENT OF FINANCIAL ACTIVITIES****FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Unrestricted Funds £	Designated Funds £	2023 £	2022 £
INCOMING RESOURCES					
Incoming funds from generated funds					
Voluntary income	2	18,680		18,680	18,824
Interest income		-		-	-
Gift aid repayment		-		-	-
Total incoming resources		18,680		18,680	18,824
RESOURCES EXPENDED					
Cost of generating funds					
Fundraising costs and other costs	3	16,766	-	16,766	14,229
Charitable activities	4	2,793	-	2,793	11,979
Support costs	5	1,906	-	1,906	2,949
Legal costs and other professional fees	6	348	-	348	-
Other resources expended	7	476	-	476	181
Total resources expended		22,289	-	22,289	29,338
Net incoming/(outgoing) resources before other recognised gains and losses					
		(3,609)	-	(3,609)	(10,514)
Other recognised gains		-	-	-	-
Net movement in funds		(3,609)	-	(3,609)	(10,514)
Funds brought forward		(3,383)	-	(3,383)	7,131
Total funds at 31 March		(6,992)	-	(6,992)	(3,383)

ST MICHAEL'S CJC**BALANCE SHEET****AS AT 31 MARCH 2023**

	Notes	2023 £	2022 £
Fixed assets			
Tangible fixed assets	11	-	-
		-	-
Current assets			
Cash at bank and in hand		2,540	10,501
Prepayment		-	-
		2,540	10,501
Current liabilities			
Creditors and accruals		(6,149)	(13,884)
Current portion of long-term loans		-	-
		(3,609)	(13,884)
Net current assets		(3,609)	(3,383)
Total assets less current liabilities		(3,609)	(3,383)
Long term loans		-	-
		(3,609)	(3,383)

ST MICHAEL'S CJC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

Funds of the Charity

Unrestricted fund	(3,609)	(3,383)
Restricted fund	-	-
	(3,609)	(3,383)

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

AR Haughton
.....
Angela Haughton, 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 2023

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 £	2023 £	2022 £
	Tithes	12,608		12,608	11,576
	Offering	3,127		3,127	4,405
	Other donation	2,945		2,945	2,843
		<u>18,680</u>	<u>-</u>	<u>18,680</u>	<u>18,824</u>

ST MICHAEL'S CJC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

3	Fundraising costs and other costs	Unrestricted £	Designated £	2023 £	2022 £
	Rent	8,100	-	8,100	7,390
	Mortgage interest	-	-	-	-
	Fund raising events	2,678	-	2,678	2,824
	Publicity and evangelism	3,445	-	3,445	2,029
	Stationery, printing & postage	2,543	-	2,543	1,987
		16,766	-	16,766	14,229
4	Charitable activities	Unrestricted £	Designated £	2023 £	2022 £
	Welfare & entertainment	2,793	-	2,793	11,979
	Indirect donations	-	-	-	-
		2,793	-	2,793	11,979
5	Support costs	Unrestricted £	Designated £	2023 £	2022 £
	Transport and travelling	-	-	-	-
	Repairs and renewals	-	-	-	-
	Independent examiner fee	965	-	965	1,367
	Software	284	-	284	411
	Depreciation	-	-	-	-
	Training	657	-	657	1,171
		1,906	-	1,906	2,949
6	Legal costs	Unrestricted £	Designated £	2023 £	2022 £
	Legal and professional costs	348	-	348	-
		348	-	348	-
7	Other resources expended	Unrestricted £	Designated £	2023 £	2022 £
	Insurance	102	-	102	151
	Telephone & communication	320	-	320	-
	Bank charges	54	-	54	30
		476	-	476	181

ST MICHAEL'S CJC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

8	Analysis of net assets	Fixed assets £	Net current Assets £	Total 2023 £	Total 2022 £
	Unrestricted funds	-	(3,609)	(3,609)	(3,383)
	Designated funds	-	-	-	-
	Endowment income	-	-	-	-
		<u>-</u>	<u>(3,609)</u>	<u>(3,609)</u>	<u>(3,383)</u>

9	Unrestricted funds	At 1 April 2022 £	Funds Introduced £	Incoming Resources £	Resources Expended £	At 31 Mar 2023 £
		(3,383)	-	18,680	(22,289)	(3,609)
		<u>(3,383)</u>	<u>-</u>	<u>18,680</u>	<u>(22,289)</u>	<u>(3,609)</u>

10	Designated funds	At 1 April 2022 £	Funds introduced £	Incoming Resources £	Resources expended £	At 31 Mar 2023 £
	Building fund	-	-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

11 Tangible fixed assets

Tangible fixed assets	Freehold property	Computer Equipment & Other Assets	Total 2023	2022
Cost:	£	£	£	£
As at 01 April 2022	-	1,500	1,500	1,500
Addition	-	-	-	-
At 31 March 2023	<u>-</u>	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>
Depreciation:				
As at 01 April 2022	-	1,500	1,500	750
Addition	-	-	-	-
At 31 March 2023	<u>-</u>	<u>1,500</u>	<u>1,500</u>	<u>750</u>
Net book value:				
As at 01 April 2022	-	-	-	750
At 31 March 2023	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

ST MICHAEL'S CJC
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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.