

ST MICHAELS NEIGHBOURHOOD CHURCH

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND
FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31ST MARCH 2014

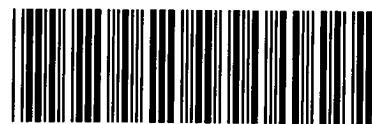
CHARITY REGISTRATION NUMBER: 1077661

COMPANY REGISTRATION NUMBER: 03750904

AMOEBA ASSOCIATES

Derwent House
Broad Street
Kingswinford
West Midlands
DY6 9LP

THURSDAY



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COMPANY INFORMATION

CHARITY NUMBER: 1077661

COMPANY REGISTRATION NO: 03750904

DIRECTORS: Simon Bhardwaj
Dawn Louise Bhardwaj
John Kay
Adam Bhardwaj

GOVERNING DOCUMENT: Memorandum & Articles of Association incorporated on the 13th April 1999 as amended by special resolutions dated 16th July 1999 and 15th December 2010

OBJECTS: 1. To advance the Christian religion for the benefit of the public in Wolverhampton and elsewhere ("hereinafter called the Area of Benefit"), in accordance with the Doctrinal statement attached at Schedule A.

2 The advancement of education, protection of health, relief of poverty, sickness and distress for the benefit of the inhabitants of the Area of Benefit.

CORRESPONDENCE ADDRESS: St Michaels Mission
Wolverhampton Street
Bilston
West Midlands
WV14 0LT

ACCOUNTANTS: Amoeba Associates
Derwent House
Broad Street
Kingswinford
West Midlands
DY6 9LP

BANKERS: Lloyds TSB plc
89 Church Street
Bilston
West Midlands
WV14 0AX

DIRECTORS' REPORT

The directors, who are also trustees for the purposes of the Charity Act, present their annual report and independently reviewed Financial Statements for the year ended 31st March 2014.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The company is limited by guarantee and is a charity registered with the Charity Commissioners number 1077661, and is therefore not subject to Corporation Tax.

Governing document: Memorandum & Articles of Association incorporated on the 13th April 1999 as amended by special resolutions dated 16th July 1999 and 15th December 2010. (The latter included a change of name of the charity from Asian Evangelical Church to St Michaels Neighbourhood Church.)

The trustees all provide their services free of charge. They have a wide range of skills and experience in management in the public, private and voluntary sectors. Trustees are elected by the membership at the AGM, and serve for a three-year term.

OBJECTS AND ACTIVITY

As set out in the Memorandum and Articles of Association the objects of the charity are:

1. To advance the Christian religion for the benefit of the public in Wolverhampton and elsewhere ("hereinafter called the Area of Benefit"), in accordance with the Doctrinal statement attached at Schedule A.
- 2 The advancement of education, protection of health, relief of poverty, sickness and distress for the benefit of the inhabitants of the Area of Benefit.

The past year has seen some exciting developments. Construction of our new extension was completed, which will host the work of our sister organisation, Bilston Resource Centre. This will free up the main Mission Hall space for church activities during the week. It is always encouraging to see new people attending our Church services, and some have now made this their home church. Our Bible Study and Prayer sessions have been well attended, and again we have welcomed some new faces

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required under UK Company law to prepare financial statements for each financial year, which give a true and fair view of the company's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements, the directors are required to:

- a) select suitable accounting policies and apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;

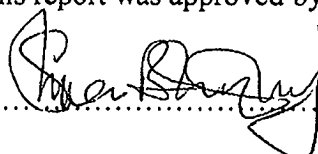
d) prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in operation.

The directors are responsible for keeping accounting records, which disclose with reasonable accuracy the financial position of the company and which enable them to ensure that the financial statements comply with applicable law and regulations. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors have identified the major risks to which the charity are exposed and have put adopted suitable mechanisms to manage those risks.

This report has been prepared in accordance with the special provisions of the Companies Act 2006 applicable to companies subject to the Small Companies regime.

APPROVAL

This report was approved by the directors on 21st October 2014, and signed on their behalf:

 Simon Bhardwaj, **Trustee**

Accountants Report to the Members on the unaudited accounts of St Michaels Neighbourhood Church (formerly Asian Evangelical Church)

In accordance with the instructions of the company's directors and in order to assist the directors to fulfil their responsibilities we have prepared the accounts on pages 4 to 5 and 7 to 13 from the accounting records and from information and explanations supplied to us.

As described on the balance sheet, the company's directors are responsible for the preparation of the accounts, and they believe that the company is exempt from an audit.

We have not performed an audit in accordance with Auditing Standards or procedures in accordance with the Statement of Standards for Reporting Accountants and accordingly we express no opinion on the accounts.



Amoeba Associates

Derwent House
Broad Street
Kingswinford,
DY6 9LP

Date: 23rd October 2014

ST MICHAELS NEIGHBOURHOOD CHURCH
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2014

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2014 £	Total 2013 £
<u>Incoming resources</u>						
<i>Incoming resources from generated funds</i>						
Donations, Legacies & Other Voluntary Income	2	370	-	-	370	908
Activities for generating funds	3	-	-	-	-	-
Investment Income	4	36	-	-	36	40
		<u>406</u>	<u>-</u>	<u>-</u>	<u>406</u>	<u>948</u>
<i>Incoming resources from charitable activities</i>						
Other incoming resources	5	3,588	-	-	3,588	4,013
		<u>7,800</u>	<u>-</u>	<u>-</u>	<u>7,800</u>	<u>7,800</u>
Total incoming resources		<u>11,794</u>	<u>-</u>	<u>-</u>	<u>11,794</u>	<u>12,761</u>
<u>Resources expended</u>						
<i>Costs of generating funds</i>						
Costs of generating voluntary income		-	-	-	-	-
Fundraising trading: costs of goods sold		-	-	-	-	-
Investment management costs		-	-	-	-	-
Other costs of generating funds		-	-	-	-	-
<i>Charitable activities</i>						
		2,859	-	-	2,859	11,995
<i>Governance costs</i>		350	-	-	350	350
Total resources expended		<u>3,209</u>	<u>-</u>	<u>-</u>	<u>3,209</u>	<u>12,345</u>
Net incoming/(outgoing) resources before transfers		<u>8,585</u>	<u>-</u>	<u>-</u>	<u>8,585</u>	<u>416</u>
Gross transfers between funds		29,022	(29,022)	-	-	-
Net income/(expenditure) for the year/ Net movement in funds		<u>37,607</u>	<u>(29,022)</u>	<u>-</u>	<u>8,585</u>	<u>416</u>
Fund balances as at 1 April 2013		<u>145,083</u>	<u>29,022</u>	<u>-</u>	<u>174,104</u>	<u>173,689</u>
Fund balances as at 31 March 2014		<u>182,690</u>	<u>-</u>	<u>-</u>	<u>182,690</u>	<u>174,104</u>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

None of the charity's activities were started or discontinued during the current or previous year and all operations continue.

There are no recognised gains or losses other than those passing through the income and expenditure account.

ST MICHAELS NEIGHBOUROOD CHURCH
(A Company Limited by Guarantee)

BALANCE SHEET
AS AT 31 MARCH 2014

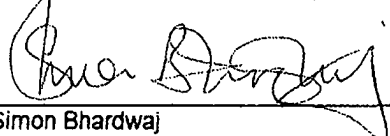
	Notes	£	2014 £	£	2013 £
Fixed assets					
Tangible assets	9		96,222		67,900
Current assets					
Debtors	10	876		5,850	
Cash at bank and in hand		87,965		100,765	
		<u>88,840</u>		<u>106,615</u>	
Creditors: amounts falling due within one year	11	<u>(2,372)</u>		<u>(410)</u>	
Net current assets			86,468		106,205
Total assets less current liabilities			<u>182,690</u>		<u>174,105</u>
Income funds					
Restricted funds	12		0		0
Unrestricted funds:			182,690		145,083
Designated funds	13		0		29,022
Other charitable funds			0		0
			<u>182,690</u>		<u>174,105</u>

The financial statements have been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (Effective June 2008)

For the year ending 31 Mar 2014 the company was entitled to exemption from audit in accordance with sections 475 and 477 of the Companies Act 2006 relating to small companies and no notice has been deposited under Section 476 of the Act.

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

The accounts were approved by the Board on 21st October 2014


 Simon Bhardwaj
 Trustee

ST MICHAELS NEIGHBOURHOOD CHURCH

(A Company Limited by Guarantee)

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 31 MARCH 2014

1 Accounting policies

1.1 Basis of preparation

The accounts are prepared under the historical cost convention.

The charity has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small charity.

The accounts have been prepared in accordance with the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005 and the Companies Act 2006.

1.2 Incoming resources

Restricted grants received in advance at the year end for expenditure in a future accounting period are carried forward as deferred income. Restricted grants received but not fully utilised at the year end are carried forward as balances on the basis that they may become repayable.

Voluntary donations and gifts are accounted for as received.

The charity receives help and support in the form of volunteer assistance in advising the public. No entries are required to be included in the accounts for the financial value of such help.

The charity enjoys the use of various buildings, in some cases at below market rental. Similarly some services are provided on beneficial terms and information is given in the Notes to the Accounts.

Interest receivable on the charity's various bank accounts is allocated in full to unrestricted funds.

1.3 Resources expended

a) Cost of generating voluntary funds

These include publicity and fundraising costs. Publicity costs include local promotional advertising, printing leaflets and the cost of producing the annual report.

b) Charitable activities

Resources expended on charitable activities include all costs incurred in the pursuit of the charitable objects of the charity.

c) Governance costs

Governance costs include the cost of the Independent Review together with the cost of the AGM and trustees insurance

1.4 Tangible fixed assets and depreciation

All assets costing more than £100 are capitalised. Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer Equipment

25% per annum on the fixed instalment basis.

ST MICHAELS NEIGHBOURHOOD CHURCH
(A Company Limited by Guarantee)

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2014

1 Accounting policies

(continued)

1.5 Taxation

The company, being a registered charity with minimal trading income, has been granted exemption from tax under section 505 of the Income and Corporation Taxes Act 1988. No provision for taxation has therefore been made in these accounts.

The charity is not registered for Value Added Tax.

2 Donations and legacies

	2014 £	2013 £
Donations and gifts	<u>370</u>	<u>908</u>

No Gifts in Kind were received during the year.

Rates, electricity and water services are billed to the charity at advantageous terms applicable to certain charities.

Volunteers donate their time free of charge. It is not possible to put a financial value on this.

3 Activities in generating funds

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Fundraising (Summer Fair)	0	0	0	0
	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

4 Investment income

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Interest receivable	36	-	36	40
	<u>36</u>	<u>-</u>	<u>36</u>	<u>40</u>

5 Other incoming resources

	2014 £	2013 £
Other income	<u>3,588</u>	<u>4,013</u>

ST MICHAELS NEIGHBOURHOOD CHURCH
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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2014

6 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2014 £	Total 2013 £
Costs of generating funds:					
Fundraising and publicity	0	0	0	0	0
Charitable expenditure:					
Costs in furtherance of the charity's objectives	0	700	2,159	2,859	11,995
Management and administration	0	0	350	350	350
	0	700	2,509	3,209	12,345
	0	700	2,509	3,209	12,345

Management and administration costs include payments to the Independent Reviewer of £350 (2013 - £350) for fees.

7 Trustees

During the year no remuneration for services as a director/trustee and no expenses were paid or were payable, directly or indirectly, out of funds of the charity to any trustee or to any person or persons known to be connected with them.

Building, Trustee Stewardship & PL Insurance costs incurred during the year of £1,671. The amount expended was £795 (PYR £635).

8 Employees

Number of employees

The average monthly number of employees during the period was:

	2014 Number	2013 Number
Administrators	0	0
	0	0
Employment costs	2014	2013
	£	£
Wages and salaries	0	0
Social security costs	0	0
	0	0

There were no employees whose annual emoluments were £60,000 or more.

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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2014

9	Tangible fixed assets			
		Land and buildings	Fixtures, fittings & equipment	Total
		£	£	£
	Cost			
	At 1 April 2013	66,900	3,115	70,015
	Additions	29,022	0	29,022
	Disposals	0	0	0
	As 31 March 2014	95,922	3,115	99,037
	Depreciation			
	At 1 April 2013	0	2,116	2,116
	Charge for the period	0	700	700
	Disposals	0	0	0
	As 31 March 2014	0	2,815	2,815
	Net book value			
	As 31 March 2014	95,922	300	96,222
	At 31 March 2013	66,900	999	67,899
10	Debtors		2014	2013
			£	£
	Trade debtors		0	5,850
	Other debtors		0	-
	Prepayments and accrued income		876	-
			876	5,850
11	Creditors: amounts falling due within one year		2014	2013
			£	£
	Taxes and social security costs		0	0
	Other creditors		2,022	0
	Accruals		350	410
			2,372	410

ST MICHAELS NEIGHBOURHOOD CHURCH
(A Company Limited by Guarantee)

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2014

12 Restricted funds

No Restricted Funds were held by the Charity at 31 March 2014.

13 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds			
	Balance at 1 April 2013	Incoming Resources	Resources Expended	Balance at 31 March 2014
	£	£	£	£
Building Reserve	29,022	-	(29,022)	-
Computer and Office Equipment Reserve	-	-	-	-
	<u>29,022</u>	<u>-</u>	<u>(29,022)</u>	<u>-</u>

A total of £29,022 has been utilised from Designated Funds by the trustees for the building scheme. The Church has entered into a 25 year lease to Bilston Resource Centre, commencing January 2014, for its occupation of the newly constructed annexe at St Michaels Mission. At the expiry of the term in December 2038, the asset will revert back to the Church.

14 Commitments under operating leases

At 31 March 2014 The company had no annual commitments under non-cancellable operating leases.

15 Reserves Policy

The directors have considered the level of reserves they wish to retain, appropriate to the charity's needs. This is based on the charity's size and the level of financial commitments held. The directors aim to ensure the charity will be able to continue to fulfil its charitable objectives even if there is temporary shortfall in income or unexpected expenditure. The directors will endeavour not to set aside funds unnecessarily.