

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

LEGAL AND ADMINISTRATIVE INFORMATION

Circuit Ministers

Revd Rachel Bending
(Superintendent)
Revd Susan Male
Revd Theresa Simons-Sam (Appointed 1 September 2020)

Revd Shirlyn Toppin
Revd Michaela Youngson
(Co-Chair of London District

Lay Trustees

Esther Ackah
Alexander Anteyi (Appointed 24 March 2021)
Simon Bhatti
Michael Brown (Resigned 14 Sep 2020)
Hector Chidiya
Marion Garnett (Appointed 21 July 2021)
Colin Hatherall (Appointed 14 Sept 2020)
Fleur Hatherall
Colleen Hicks
Roy Hill Resigned (21 July 2021)
Jane Horwich
George Lafford Resigned (21 July 2021)
Kathleen Loveridge
Martin Kingsnorth Resigned (21 July 2021)
Janet Malamah-Thomas
George Masih
Harmash Masih
Derek Matthews
Sylvia Murray
Marion Narain
George Oliver
Stephen Sears
Louise Singleton
Vinnette Small
Janet Smith
David Street
Karen Whitehouse
Paul Williams (Appointed 14 Sept 2020)
Charles Wiredu

Circuit Stewards

Kathleen Loveridge
Stephen Sears (Treasurer)
Jane Horwich
Fleur Hatherall

Charity number

1134040

Auditor

Summers Morgan
First Floor, Sheraton House
Lower Road
Chorleywood
Hertfordshire
WD3 5LH

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

LEGAL AND ADMINISTRATIVE INFORMATION

Bankers	Barclays Bank Plc Ealing Branch Leicester LE87 2BB
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Investment advisors	Central Finance Board of the Methodist Church 9 Bonhill Street London EC2A 4PE Trustees for Methodist Church Purposes Central Buildings Oldham Street Manchester M1 1JQ
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EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

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EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their report and financial statements for the year ended 31 August 2021. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Circuit's governing document, the Charities Act 2011 and "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 2019)".

Objectives and activities

The charity's objective is to act as a resource provider within the area around Ealing for the Methodist Church.

The purposes of the Methodist Church are and shall be deemed to have been since the Date of Union the advancement of:

- The Christian faith in accordance with the doctrinal standards and the discipline of the Methodist Church;
- Any charitable purpose for the time being of any Connexional, District, Circuit, local or other organisation of the Methodist Church; and
- Any charitable purpose for the time being of any society or institution or subsidiary to the Methodist Church.
- The organisation and resourcing of regular public acts of worship open to members of the church and non-members alike.
- The teaching of Christianity through sermons, courses and small groups.
- The resourcing of pastoral work including visiting the sick and bereaved.
- Taking religious assemblies in local schools.
- Promotion of Christianity through the staging of events and services.
- Provision of chaplaincy services to the local university and other institutions.

Aims and activities

The Circuit's mission is to be a powerful spiritual influence in the community and a visible expression of God's inclusive love. We aim to achieve this by encouraging, through the churches in our Circuit, the worship, social, and outreach activities that currently exist; seeking new ways to extend to others the fellowship of the Church family; and through these to develop the life of the Circuit and its churches.

Aims and activities within the objectives and purposes are:

- To resource worship in each of the churches and congregations of the Circuit and in a weekly ecumenical act of worship in Southall.
- To hold worship and social gatherings for the whole circuit gathered as one on at least 4 occasions each year.
- To resource regular events to develop discipleship, knowledge and practice of faith;
- To provide a ministerial staff to support, organise and care for those volunteers who offer pastoral care within our churches and indeed to provide pastoral care themselves. To offer training on pastoral care, safeguarding etc;
- To offer training to officers, both volunteers and employed, to enable their development and the practice of their tasks within the organisation;
- To identify missional needs and to work with partners to fulfil them;
- To provide town centre chaplaincy in Greenford alongside ecumenical partners.

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The significant activities which have contributed to the achievement of aims and objectives:

- Worship has been regularly held in each of the Circuit's churches and congregations or online
- The Circuit has led and resourced Bible Studies and begun a discipleship development programme in order to help our members deepen their faith and practice
- The Circuit actively supports the work of various social mission projects in which we are a partner, including Foodbanks, Nightshelters, and a scheme offering support, social interaction, exercise etc. to the elderly living in their own homes. These are supported financially through grants but also through the time and attention of our members.

The achievement of these aims will further our primary purpose to advance the Christian faith by bringing people into contact with the Methodist Church in our area.

The Circuit uses reflective practice to assess and develop its work. This takes place within the Circuit Staff Meeting, the Circuit Policy Committee and the Circuit Stewards Meeting.

Given the nature of the Circuit's aims and objectives, the Circuit does not set criteria or measures to assess success. It will continue to promote its aims regardless of any temporary setbacks.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Circuit should undertake.

Achievements and performance

The Circuit Stewards are pleased to report on how these objectives have been pursued during 2020/21:

- The Circuit has continued to encourage missional thinking and involvement through night shelter projects, Food Bank, the Live at Home Scheme and a new project raising money for Christian Aid. This last named has succeeded in engaging a wide cross-section of the Circuit with enthusiasm.
- Circuit identity and unity has visibly improved in and through an increasingly successful series of Circuit Services and events planned jointly by the team of ordained ministers.
- The Circuit has begun to create a plan for future maintenance using quinquennial inspection reports as a base. Due to the complexity of the Circuit's property portfolio this has not been as straightforward as had been hoped. The Circuit continues to seek ways to move this forward.
- The Circuit has responded to the changes in working practices demanded by COVID 19 by providing video worship and worship on Zoom, Zoom Bible Studies and discussions and by supporting churches as they created risk assessments etc to ensure their activities are COVID secure.
- Due to the global pandemic the Circuit has moved many of its governance activities online and has adapted its procedures as necessary in line with Methodist CPD and the advice from the Methodist Connexional Team.

Review of the year

The Circuit prepares accruals financial statements. The Circuit budget is prepared by first anticipating the expenditure for the forthcoming year and then determining, in discussion with the individual churches, how that sum will be raised. Normally about 70% of the Circuit income comes from the individual churches within the Circuit by means of an Assessment agreed with each church.

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Financial review

The value of Circuit funds as at 31 August 2021 was £5,872,890, which is a increase of £1,003,067 from the previous year.

The Circuit does not use performance indicators to measure 'outputs' as these are not appropriate for the type of activities undertaken by the Circuit.

The principal sources of funds are assessments paid by churches within the Circuit and income from let properties. These finance ministers' stipends and the general running costs of the Circuit.

Funds held by the circuit are invested with the Trustees for Methodist Church Purposes nationally in accordance with the social investment policies of the Methodist Church.

Properties

The King's Hall, Southall

King's Hall has remained closed since 2013 as the building had become unsafe for public use. Two churches worshipped at Kings Hall, an English language congregation on Sunday mornings and an Urdu-speaking congregation on Sunday afternoons. Following the closure, the morning congregation joined Kingsdown Methodist Church as a 'Class Meeting' and worship on Sunday mornings at Hanwell Methodist Church. The afternoon, Urdu-speaking congregation hold their worship in the premises of a nearby school, which they rent. The Circuit is in negotiation with a developer to redevelop the site to provide church and community space and affordable residential accommodation.

Grants

Grants totalling £796 were awarded during the year.

Other notes

During the year the Circuit was a member of the Association of Church Accountants and Treasurers. The repairs and maintenance expenditure during the year on property was written off and not capitalised. At no time during the year was the Circuit insolvent either in terms of its assets or in terms of its ability to pay its debts as they became due.

Reserves Policy

The Circuit believes that it should ensure that it has reserves sufficient to cover the stipends and employment costs of its Presbyters, Deacons and part-time Administrators for the full ensuing year but not to meet any redundancy pay should this be payable. This sum is estimated at £199,200 for the next financial year. At the balance sheet date the Circuit held £556,939 in reserves; the Trustees believe that through effective management of their expenses and increased income the reserve position should improve.

Other fixed costs of the Circuit, including the District Levy and District Assessments, are estimated at £71,934 for a full year. The Circuit deems it prudent to hold sufficient to cover these costs for six months, i.e. £35,967.

The total of these possible costs is £235,167.

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Principal risks and uncertainties

- The ongoing financial deficit: In seeking to minimise this risk the circuit reduced its staffing by one ordained presbyter in September 2020 and is in the process of carefully reviewing its budgets and raising awareness of the problem across the Circuit.
- Management and administrative structure: At present the Circuit's organisation does not have the capacity or structure to meet the needs of its activities. The Circuit continues to review its governance and management structures to make them more appropriate for the Circuit's mission and activities.
- King's Hall: As stated above the King's Hall building remains derelict. This poses public liability risks including the risk of occupation by squatters. There is also a risk of reputational damage and pastoral risk to the two churches who previously used the building. In the coming year the Circuit will negotiate redevelopment. This will bring its own risks both financial and the possibility of not achieving the desired accommodation. To mitigate all these risks the Circuit has weekly security inspections and public liability insurance. The Circuit is also receiving substantial support from the Methodist connexional property team, has commissioned a Qualified Surveyor's Report to ensure 'best value' and has carefully established a governance process in line with Methodist standing orders for the development process.
- The Global Pandemic has brought with it a decrease in income for our member churches and an uncertainty regarding future income. The treasurer and Circuit Leadership Team has been monitoring this throughout the period since March.

Plans for the future

The Circuit's mission arises from the mission statement of the Methodist Church of Great Britain. In working this out in the Circuit's particular context, the Circuit aims to develop a Christ-centred, confident and clear approach for Circuit-wide mission whilst supporting each church in their individual mission in their local neighbourhoods.

Within this, in 2020/21, the Circuit intends to:

Organisation

- Actively look to appoint a further two Circuit Stewards, preferably from churches who do not yet have representation among the current group of Circuit Stewards
- Review management structures
- Build on the development of Planned Maintenance Strategies for Circuit properties.

Mission

- Continue to encourage change and renewal of mission culture in the Circuit churches.
- Review mission work in the light of the significant changes in society brought by the last 2 years.
- Seed new mission initiatives in local churches responding to needs in their communities
- Continue and develop the MHA 'Live at Home' scheme.

Discipleship and spiritual development

- Continue to develop Circuit identity and unity through Circuit events and services
- Develop discipleship through Circuit-wide opportunities for spiritual reflection and learning

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management

The Circuit is governed by the Methodist Church Act 1976, the Deed of Union and the Model Trust Deeds of the Methodist Church. The Ealing Trinity Methodist Circuit is registered as a charity.

The members of the Ealing Trinity Methodist Circuit meeting are the Charity Trustees, membership being made up of circuit office holders, ministers and representatives appointed by the local churches.

The principle office address is Kingsdown Methodist Church, Kingsdown Avenue, London, W13 9PR.

The Circuit is a group of local churches, some of which are Local Ecumenical Partnerships (LEPs) with other denominations. Circuits combine to form about 30 districts in Great Britain. Although there is some autonomy, all Methodist organisations in Great Britain are governed by statutes determined by the Methodist Conference and which are published in the Constitution, Practice and Discipline of the Methodist Church. Conference is the supreme body within the church and it delegates much of its authority to the Methodist Council. Both Conference and Council consist of lay and clerical members.

Detailed governance arrangements are outlined within the Constitutional Practice and Discipline of the Methodist Church by order of the Annual Conference (CPD).

The stipends paid to ministers are set by the Methodist Church of Great Britain and are published in the Minutes of the Annual Conference.

The relationships with other charities and organisations with which it co-operates in the pursuit of its charitable objectives:

- The Circuit forms part of the London District of the Methodist Church, which is itself a part of the Methodist Church of Great Britain.
- Schools worker: Southall Anglican Group, All Saints Educational Trust, London District of the Methodist Church.
- Live at Home Scheme: MHA, London District of the Methodist Church, London Borough of Ealing.
- Ecumenical Communion Service: Holy Trinity Southall, London Diocese of the Church of England.
- Other Partners: Trussell Trust, Ealing Churches Winter Night Shelter, West London Leaders, various Churches Together groups.

Day to day management of the Circuit is undertaken by the Circuit Leadership team along with the Local Preachers meeting, the Circuit Finance and Property Committee and the Circuit Policy Committee.

- Overall control rests with the Methodist Conference.
- The Connexional Office implements decisions made by Conference and is also responsible for the stationing of Ministers in individual Circuits.
- Connexional decisions are passed to the Chair of the District and the appropriate Officers of the District for regional implementation.
- The Districts pass the control down to Circuit level for local implementation by the Superintendent Minister, Ministerial staff and Circuit Stewards and authority is delegated to the Circuit Meeting for certain matters.
- The Circuit Meeting passes control down to Church Councils for local implementation by the Minister, the Church Stewards and other officers and authority is delegated to Church Councils acting as Managing Trustees.
- The Circuit Superintendent chairs meetings of the Circuit Policy Committee (CLC) and the Circuit Meeting, which Trustees are expected to attend. Policy decisions are taken at the Circuit Meeting.
- The Methodist Connexional year runs from 1 September to 31 August.

Volunteers undertake the majority of the work of the circuit and much of its management. The Circuit is governed by the Methodist Church Act 1976, the Deed of Union and the Model Trust Deeds of the Methodist Church. The Ealing Trinity Methodist Circuit is registered as a charity.

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees who served during the year and up to the date of signature of the financial statements were:

Mrs Esther Ackah
Mr Simon Bhatti
Revd Nigel Cowgill
Mr Colin Hatherall
Mr Roy Hill
Mr George Lafford
Revd Susan Male
Dr Derek Matthews
Mr George Oliver
Dcn Theresa Simons-Sam
Mrs Janet Smith
Ms Karen Whitehouse
Revd Michaela Youngson

Mr Alex Anteyi
Mr Michael Brown
Mrs Marion Garnett
Ms Fleur Hatherall
Mrs Jane Horwich
Mrs Kathleen Loveridge
Mr George Masih
Mrs Sylvia Murray
Mr Stephen Sears
Ms Louise Singleton
Mr David Street
Mr Paul Williams

Revd Rachel Bending
Mr Hector Chidiya
Mr Anil Griffin
Mrs Colleen Hicks
Mr Martin Kingsnorth
Mrs Janet Malamah-Thomas
Mr Harmash Masih
Mrs Marion Narain
Revd Ajay Singh
Ms Vinette Small
Revd Shirlyn Toppin
Mr Charles Wiredu

Notes

Mr Alex Anteyi (added 24 Mar 2021)
Revd Nigel Cowgill (added 1 Sept 2021)
Mr Anil Griffin (added 23 Feb 2022)
Mr Roy Hill (removed 21 Jul 21)
Mr George Lafford (removed 21 Jul 2021)
Mr George Oliver (deceased 9 Oct 2021)
Revd Shilyn Toppin (removed 31 Jul 2021)

Mr Michael Brown (removed 14 Sep 2020)
Mrs Marion Garnett (added 21 Jul 2021)
Mr Colin Hatherall (added 14 Sept 2020)
Mr Martin Kingsnorth (removed 21 Jul 2021)
Mrs Kathleen Loveridge (removed 14 Sept 2021)
Revd Ajay Singh (added 1 Sept 21)
Mr Paul Williams (added 14 Sept 2020)

Trustee, Recruitment, Training and Induction Policy

All Circuit Trustees are appointed from the Managing Trustees of the individual churches, who undertake the training and induction of Trustees in accordance with guidelines from the Charities Commission and the Methodist Church published in the booklet "The Role of a Trustee in the Methodist Church", together with further guidelines published by the Methodist Church "Managing Trustees and their Responsibilities", "Safeguarding and Creating Safer Space" and "Managing Trustees and Methodist Money".

Circuit Trustees having the special duties and responsibilities of Circuit Stewards attend annual induction and refreshment courses organised by the Methodist London District Training Team, with further specific training for Stewards having financial, property and safeguarding responsibilities.

All Trustees in the Circuit and churches are encouraged to undertake further training in support of their own ministry and the Circuit maintains a Training Fund in its budget for this purpose.

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Public Benefit

The Trustees have had due regard to the guidance published by the Charities Commission in compliance with its duties under section 17 of the Charities Act 2011.

This guidance sets out two key principles:

1. The organisation must have an identifiable benefit.
2. The benefit must be to the public or a section of the public

The church exists to:

- Increase awareness of God's presence and to celebrate God's love;
- Help people to learn and grow as Christians, through mutual support and care; and
- Be good to people in need and challenge injustice.

The Trustees consider that for these reasons the Circuit meets these public benefit requirements.

Circuit Leadership Team

During the year, the Circuit Leadership Team - the Circuit Ministerial Staff and Circuit Stewards - met regularly to keep under review the life of the Circuit and to take forward the decisions of the Circuit Meeting.

Circuit Meeting

During the year, the Circuit Meeting, made up of the CLT, representatives of the Circuit's churches and other circuit officers as defined by Methodist CPD met three times to enact governance and to keep under review the life and vision of the Circuit.

Circuit Stewards

Circuit Stewards are Trustees who have volunteered to assist the Superintendent Minister and the Ministerial staff in implementing the decisions of the Circuit Meeting and decisions passed down from the Districts. Circuit Stewards are appointed by the Circuit Meeting and are unpaid. Induction training is organised by the Districts at the start of the Connexional Year and at other times as required. Amongst other duties the Circuit Stewards are responsible for the Circuit Finances and the maintenance of Circuit property. Details of the Superintendent and Stewards can be found on the administration page.

Training

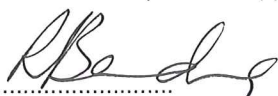
The Circuit subscribes to the importance of the whole people of God continuing to learn and develop to aid their deepening discipleship and ministry, and recognises the crucial importance of continuing learning and exploration for the development and growth of all of its members. A changing society may require new skills and expertise in different areas of knowledge. An authentic personal response to God's mission in the world is enabled through training and development of existing gifts and skills and the acquiring of new ones. In addition to academic training, grants are available for conferences, retreats, and short courses.

Commitments

All known commitments are included in the financial statements.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake.

The Trustees' report was approved by the Board of Trustees.



Revd Rachel Bending (Superintendent)

Trustee

Dated: 21.06.2022

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and 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 Circuit and of the incoming resources and application of resources of the Circuit for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Circuit 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. They are also responsible for safeguarding the assets of the Circuit and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

Opinion

We have audited the financial statements of Ealing Trinity Circuit of the Methodist Church (35/24) (the 'Circuit') for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Circuit in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Circuit's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the Circuit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

Use of our report

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. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Nicholas Corden ACA (Senior Statutory Auditor)
for and on behalf of Summers Morgan**

23 June 2022
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**Chartered Accountants
Statutory Auditor**

First Floor, Sheraton House
Lower Road
Chorleywood
Hertfordshire
WD3 5LH

Summers Morgan is eligible for appointment as auditor of the Circuit by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Notes							
Income and endowments from:							
		190	14,474	14,664	70	30,000	30,070
Donations and legacies							
Circuit assessment	3	194,592	-	194,592	189,814	-	189,814
Rental income	4	30,040	-	30,040	31,250	-	31,250
Investments	5	88,212	-	88,212	76,767	-	76,767
Other income	6	1,436	-	1,436	3,984	322	4,306
Total income		314,470	14,474	328,944	301,885	30,322	332,207
Expenditure on:							
Charitable activities	7	402,035	14,474	416,509	400,445	31,633	432,078
Connexional Priority Fund levy	13	222,156	-	222,156	-	-	-
Total resources expended		624,191	14,474	643,665	400,445	31,633	432,078
Net outgoing resources		(309,721)	-	(309,721)	(98,560)	(1,311)	(99,871)
Other recognised gains and losses							
Revaluation of investment properties		1,317,788	-	1,317,788	174,000	-	174,000
Net gain/(loss) on property disposal		(5,000)	-	(5,000)	-	-	-
Net movement in funds		1,003,067	-	1,003,067	75,440	(1,311)	74,129
Fund balances at 1 September 2020		4,856,577	13,246	4,869,823	4,781,137	14,557	4,795,694
Fund balances at 31 August 2021		5,859,644	13,246	5,872,890	4,856,577	13,246	4,869,823

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	14	1,024,705		1,642,917	
Investment properties	15	4,278,000		2,959,000	
		<u>5,302,705</u>		<u>4,601,917</u>	
Current assets					
Debtors	17	20,382		4,215	
Cash at bank and in hand		641,119		340,537	
		<u>661,501</u>		<u>344,752</u>	
Creditors: amounts falling due within one year	18	(91,316)		(76,846)	
Net current assets			570,185		267,906
Total assets less current liabilities			<u>5,872,890</u>		<u>4,869,823</u>
Income funds					
Restricted funds	19	13,246		13,246	
<u>Unrestricted funds</u>					
General unrestricted funds		1,606,856		1,921,577	
Revaluation reserve		4,252,788		2,935,000	
		<u>5,859,644</u>		<u>4,856,577</u>	
		<u>5,872,890</u>		<u>4,869,823</u>	

The financial statements were approved by the Trustees on 26th May 2022



Revd Rachel Bending (Superintendent)
Trustee

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash absorbed by operations	22		(399,630)		(174,149)
Investing activities					
Proceeds on disposal of tangible fixed assets		612,000		-	
Investment income received		88,212		76,767	
		<hr/>		<hr/>	
Net cash generated from investing activities			700,212		76,767
Net cash used in financing activities			<hr/> -		<hr/> -
Net increase/(decrease) in cash and cash equivalents			300,582		(97,382)
Cash and cash equivalents at beginning of year			340,537		437,919
Cash and cash equivalents at end of year			<hr/> 641,119 <hr/>		<hr/> 340,537 <hr/>

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Charity information

Ealing Trinity Circuit of the Methodist Church (35/24) is an unincorporated Charity in England and Wales.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Circuit's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The Circuit is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Circuit. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Circuit has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Donations and legacies are accounted for when entitlement has been confirmed, the amount can be measured and receipt is probable.

The Circuit's assessments are accounted for on a receivable basis; when the Circuit becomes entitled to the resources, the trustees are virtually certain they will receive the resources and the monetary value can be measured with sufficient reliability.

Rents received on manses currently unoccupied by a Minister and so available for letting are accounted for on a receivable basis.

Grants receivable are included when the relevant conditions for the grant have been met.

Investment income is accounted for on a receivable basis.

Other income is accounted for on a receivable basis.

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All expenses are accounted for on an accruals basis. This is recognised when a liability is incurred, or a constructive obligation arises, that results in the payment being unavoidable. Liabilities are recognised as soon as an outflow of economic benefit is considered more likely than not under the legal or constructive obligation committing the Circuit to pay out resources.

1.6 Tangible fixed assets

Land and buildings are stated at cost or in the case of donated assets at valuation at the date that the assets are gifted to the Circuit. The Trustees consider that the lives of the properties are so long and their residual values so high based on prices prevailing at the time of acquisition that any annual depreciation charge would not be material. Accordingly, no depreciation is provided on freehold properties used for charitable activities. Any material impairment in the value of such properties, following an annual review, would be chargeable to the Statement of Financial Activities.

Plant and machinery having an initial cost greater than £1,000 are capitalised and stated at cost less depreciation.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	33.33% reducing balance
---------------------	-------------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Investment properties

Investment properties, which are residential properties held to earn rentals and/or for capital appreciation, and which are surplus to staffing requirements, are initially measured at cost and subsequently measured using fair value model and stated at its fair value as the reporting end date. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

1.8 Impairment of fixed assets

At each reporting end date, the Circuit reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss and any impairments are recognised in the Statement of Financial Activities.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.10 Financial instruments

The Circuit has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Circuit's balance sheet when the Circuit becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

1.11 Taxation

Since the Circuit is not VAT registered, all input VAT is charged with the expenses to which it refers.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Circuit is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Stipendiary Circuit Ministers are eligible to join the Methodist Ministers' Pension Scheme (MMPS). The MMPS is a funded defined benefit scheme maintained by The Methodist Church of Great Britain. As the Circuit is unable to identify its share of the underlying assets and liabilities of the scheme, the Circuit has taken the advantage of the exemption in Financial Reporting Standard 102 Retirement Benefits, and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The pension costs for the scheme represent the contribution payable by the Circuit in the year. The contribution rates are set each year by the Methodist Conference.

1.14 Grants

Grants made by the Circuit from its own funds are recognised in full at the time of agreement or when the Circuit accepts that there is a legal or operational obligation to make the payment. When the grant is recurrent over more than one year the balance payable in future years is treated as a provision for future commitments in the Balance Sheet against the appropriate fund, the provision being released in future years as instalments are paid in accordance with the originally agreed terms.

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.15 Ministers' manse costs

The Circuit is required to provide accommodation for each minister in the Circuit and this is a benefit to the Circuit. Ministers are expected to occupy the manse provided for them. The Circuit bears the cost of repairs, maintenance, buildings insurance, Council tax and water charges. These figures are not separately declared as benefits-in-kind for ministers as HMRC does not tax these receipts in the hands of ministers.

1.16 Consolidation

The Circuit has denominational regulatory oversight in respect of the work of the Churches within the Circuit but has no legal or operational control of those Churches and their governing bodies except in extreme circumstances. For this reason, the financial statements of Churches within the Circuit are not consolidated into these financial statements.

2 Critical accounting estimates and judgements

In the application of the Circuit's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Circuit assessment

	Unrestricted Funds 2021 £	Unrestricted Funds 2020 £
Acton Hill Methodist Church	23,003	25,073
Ealing Green Methodist Church	61,843	39,593
Greenford Methodist Church	30,097	35,373
Hanwell Methodist Church	28,519	25,723
King's Hall Methodist Church	-	4,530
Kingsdown Methodist Church	27,952	33,030
Northolt Methodist Church	8,118	14,200
Pitshanger Methodist Church	15,060	12,292
	<u>194,592</u>	<u>189,814</u>

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Rental income

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
27 Rosemont Road	30,040	31,250

5 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest	891	2,980
Income from investment properties	87,321	73,787
	88,212	76,767

6 Other income

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2021	2020	2020	2020
	£	£	£	£
Other income	1,436	334	-	334
3 Generation	-	-	322	322
Urdu Speaking Minister	-	3,650	-	3,650
	1,436	3,984	322	4,306

Included within other income is £1,297 (£nil: 2020) received from Kingsdown Methodist church in relation to the return of an un-used mission grant.

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

7 Charitable activities

	2021 £	2020 £
Staff costs	196,103	267,758
District assessment	45,036	41,084
Expenditure on manses	65,156	41,224
Expenditure on Circuit properties	24,118	7,835
Other expenditure	28,527	43,440
District advance fund	26,899	13,722
Minister relocation costs	6,343	-
	<u>392,182</u>	<u>415,063</u>
Grant funding of activities (see note 8)	796	1,296
Share of support costs (see note 9)	13,031	5,172
Share of governance costs (see note 9)	10,500	10,547
	<u>416,509</u>	<u>432,078</u>
Analysis by fund		
Unrestricted funds	402,035	400,445
Restricted funds	14,474	31,633
	<u>416,509</u>	<u>432,078</u>

8 Grants payable

	2021 £	2020 £
Grants to institutions:		
London Citizens	700	1,200
Beyond the Street	96	96
	<u>796</u>	<u>1,296</u>

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Printing, postage and stationary	296	-	296	1,938	-	1,938
Sundry	737	-	737	1,849	-	1,849
Payroll service	480	-	480	480	-	480
Legal and professional fees	10,609	-	10,609	-	-	-
TMCP management fee	529	-	529	742	-	742
Bank charges	380	-	380	163	-	163
Audit fees	-	5,500	5,500	-	5,547	5,547
Accountancy	-	5,000	5,000	-	5,000	5,000
	<u>13,031</u>	<u>10,500</u>	<u>23,531</u>	<u>5,172</u>	<u>10,547</u>	<u>15,719</u>
Analysed between Charitable activities	<u>13,031</u>	<u>10,500</u>	<u>23,531</u>	<u>5,172</u>	<u>10,547</u>	<u>15,719</u>

Governance costs includes payments to the auditors of £10,500 (2020: £10,547) comprising £5,500 for audit fees and £5,000 for statutory accounts production.

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

10 Trustees

The Superintendent of the Circuit, the other Presbyters and the remaining members of the CLT are considered as Key Management Personnel. The Superintendent chairs meetings of the CLT and Circuit Meetings. The members of the Circuit Meeting are the trustees of the Circuit. The stipends, employer's NIC and employer's pension contributions and other expenses of the Presbyters of the Circuit are paid by the Circuit.

The manses are provided by the Circuit and the Circuit maintains the property. The value of the Council Tax and water charges paid by the Circuit is not disclosed here as HMRC does not regard this as a benefit-in-kind in the hands of the minister.

Remuneration:

	2021	2020
	£	£
Stipends of Presbyters	109,043	130,788
Employer's National Insurance contributions	10,287	13,274
Employer's pension contributions to a defined benefit pension scheme	26,904	33,812
	<u>146,234</u>	<u>177,874</u>

The reimbursement of Trustees' expenses were as follows:

	2021	2020
	£	£
Travel	453	1,666
Telecommunications	4,615	6,393
Postage, printing & stationary	-	45
Relocation	1,447	-
Training	-	646
	<u>6,515</u>	<u>8,750</u>

11 Employees

The average monthly number of employees during the year was:

	2021	2020
	Number	Number
Ministers	4	5
Lay and administrative staff	4	5
	<u>8</u>	<u>10</u>

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

11 Employees	(Continued)	
Employment costs	2021 £	2020 £
Stipends	106,977	128,941
Wages and salaries	31,845	62,171
Social security costs	11,982	16,977
Other pension costs	27,655	35,872
	<hr/>	<hr/>
	196,103	267,758
	<hr/>	<hr/>

Stipends were paid to 4 Presbyters during the year.

The Circuit employs lay staff involved in both Administration and Mission work. The costs of these staff are shown below in their separate categories.

No employees received employee benefits of more than £60,000. There is no accrual for holiday pay as it is immaterial; the holiday year ends on 31 August. All staff are paid at or above the living wage.

Pensions

Most ordained presbyters and deacons are members of the Methodist Ministers' Pension Scheme (MMPS). This is a defined benefit scheme. The Supreme Court held in 2014 that Methodist ministers (which term includes presbyters and deacons) are not employees of the Church. For simplicity, however, when dealing with National Insurance Contributions and pension contributions, the terms 'employer' and 'employee' are used as they would be in an employing body.

On the other hand lay employees are contractually employees and have the option of joining the Pension and Assurance Scheme for Lay Employees of the Methodist Church (PASLEMC). PASLEMC is a defined benefit scheme and the Circuit contributes as employer to this scheme.

The Connexion accounts for both the MMPS and PASLEMC pension schemes and shows the figures in the annual Methodist Church in Great Britain accounts. Both pension schemes are in deficit but a plan for removal of the deficit has been proposed and is being implemented. Details of the deficits can be found in the Annual Report and Accounts of The Methodist Church at <https://www.methodist.org.uk/media/20538/1196-consolidated-report-and-accounts-2021-v7b.pdf>.

12 Key management personnel

The Circuit's key management personnel are the ordained ministerial staff as listed on the legal and administrative page. The only remuneration they receive directly from the circuit is the reimbursement of expenses. Their stipends are paid by the National Methodist Church but funded in full by the Circuit and are published in the minutes of the Annual Conference. Circuit Stewards make up the other half of the management team. They work on a voluntary basis and only receive occasional reimbursement of expenses.

The total amount of the employee benefits (including employer pension contributions received by the key management personnel for their services to the Circuit was £146,234 (2020: £177,874).

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

13 Connexional Priority Fund levy (CPF)

	Unrestricted funds	Total
	2021	£ 2020
Levy on sale of 21 Dormer Wells	222,156	-
	<u>222,156</u>	<u>-</u>

The CPF levy is charged on all capital money arising from the sale of Circuit properties; if the sale is linked to a replacement project under standing order 973, the CPF levy would be held pending a repayment. There are no plans for a replacement project at this point.

14 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Total £
Cost			
At 1 September 2020	1,642,917	3,938	1,646,855
Disposals	(617,000)	-	(617,000)
Transfer to investment property	(1,212)	-	(1,212)
	<u>1,024,705</u>	<u>3,938</u>	<u>1,028,643</u>
At 31 August 2021			
Depreciation and impairment			
At 1 September 2020	-	3,938	3,938
	<u>-</u>	<u>3,938</u>	<u>3,938</u>
At 31 August 2021	-	3,938	3,938
	<u>-</u>	<u>3,938</u>	<u>3,938</u>
Carrying amount			
At 31 August 2021	1,024,705	-	1,024,705
	<u>1,024,705</u>	<u>-</u>	<u>1,024,705</u>
At 31 August 2020	1,642,917	-	1,642,917
	<u>1,642,917</u>	<u>-</u>	<u>1,642,917</u>

15 Investment property

	2021 £
Fair value	
At 1 September 2020	2,959,000
Transfers from owner-occupied property	1,212
Net gains or losses through fair value adjustments	1,317,788
	<u>4,278,000</u>
At 31 August 2021	

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

15 Investment property

(Continued)

Investment properties comprise four flats at Havelock House and the properties at 37 and 39 Newton Avenue. The Trustees obtained an independent professional valuation for these properties in the year ended 31 August 2015. During the year the Trustees used the House Price Index average movement for flats and maisonettes in the Borough of Ealing to revalue the investment properties owned by the Charity. The property at 27 Rosemont Road was transferred from tangible assets at a historic cost of £1,212; this property is no longer used to house ministers of the church and is rented out on a commercial basis and so has been reclassified as investment property during the year. The Trustees obtained an independent valuation of this property in May 2022 and consider this valuation to be the fair value for the property.

The carrying amount of the investment properties if valued at its original cost would have been £26,112 (2020: £24,900).

16 Property disposals

	Carrying Value	Sale	Gain (Loss)
Details			
21 Dormer Wells (Realised)	617,000	617,000	(5,000)

17 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Prepayments and accrued income	20,382	4,215

18 Creditors: amounts falling due within one year

	2021 £	2020 £
Notes		
Deferred income	52,955	46,528
Accruals and deferred income	38,361	30,318
	91,316	76,846

Deferred income arises from Circuit assessments received in advance of the period to which they relate.

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 September 2019	Incoming resources	Resources expended	Balance at 1 September 2020	Incoming resources	Resources expended	Balance at 31 August 2021
	£	£	£	£	£	£	£
Benevolent fund	1,502	-	-	1,502	-	-	1,502
School-R	1,633	30,000	(31,633)	-	-	-	-
K1-Future	11,422	-	-	11,422	-	-	11,422
3 generation	-	322	-	322	-	-	322
Manse refurbishmen t	-	-	-	-	14,474	(14,474)	-
	<u>14,557</u>	<u>30,322</u>	<u>(31,633)</u>	<u>13,246</u>	<u>14,474</u>	<u>(14,474)</u>	<u>13,246</u>

Benevolent fund: Circuit Benevolent Fund - Support for individuals in specific need.

School-R: The Circuit received restricted grants from All Saints Educational Trust of £15,000 and London Diocese of the Church of England of £15,000 to cover the cost of a Christian worker who is employed to visit and witness to staff and pupils within Southall School.

K1-Future: Kings Hall (K1) Future Church fund represents funds received for the re-establishment of a church at the Kings Hall site.

Manse Refurbishment: The Circuit received a grant from the Connexion to cover the cost of the refurbishment of a manse property owned by the Circuit.

20 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 August 2021 are represented by:						
Tangible assets	1,024,705	-	1,024,705	1,642,917	-	1,642,917
Investment properties	4,278,000	-	4,278,000	2,959,000	-	2,959,000
Current assets/ (liabilities)	556,939	13,246	570,185	254,696	9,238	267,906
	<u>5,859,644</u>	<u>13,246</u>	<u>5,872,890</u>	<u>4,856,613</u>	<u>9,238</u>	<u>4,869,823</u>

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

21 Related party transactions

None of the Circuit Trustees made donations direct to the Circuit during the year or the preceding year. The Circuit Trustees are members of one or another church within the Circuit and may be Trustees in their churches.

Related parties include the Methodist Connexion, the London District and churches within the Circuit, other Methodist Districts in Great Britain, the Central Finance Board (CFB) and Trustees for Methodist Church Purposes (TMCP).

There were no related party transactions in the year under review other than those disclosed elsewhere in the notes.

22 Cash generated from operations	2021 £	2020 £
Surplus for the year	(314,721)	(99,871)
Adjustments for:		
Investment income recognised in statement of financial activities	(88,212)	(76,767)
Loss on disposal of tangible fixed assets	5,000	-
Movements in working capital:		
(Increase)/decrease in debtors	(16,167)	993
Increase in creditors	8,043	1,053
Increase in deferred income	6,427	443
Cash absorbed by operations	(399,630)	(174,149)

23 Analysis of changes in net funds

The Circuit had no debt during the year.