

EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

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

LEGAL AND ADMINISTRATIVE INFORMATION

Ordained Trustees

Revd Rachel Bending (Superintendent)
Revd Nigel Cowgill (Co-chair London District)
Revd Susan Male
Revd Ajay Singh
Revd Theresa Simons-Sam

Circuit Stewards

Fleur Hatherall
Jane Horwich
Stephen Sears (Treasurer)

Lay Trustees

Esther Ackah	Removed 23 Feb 2022
Alex Anteyi	
Simon Bhatti	
Hector Chidiya	
Marion Garnett	Removed 8 Feb 2022
Anil Griffin	Added 23 Feb 2022
Colin Hatherall	
Fleur Hatherall	
Colleen Hicks	
Jane Horwich	
George Lafford	Added 1 Sep 2022
Kathleen Loveridge	Removed 14 Sep 2021
Janet Malamah-Thomas	
George Masih	
Harmash Masih	
Derek Matthews	
Sylvia Murray	
Marion Narain	Deceased 9 Jun 2022
George Oliver	Deceased 9 Oct 2021
Michael Pidoux	Added 8 Feb 2023
Helen Pye-Smith	Added 23 Nov 2022
Stephen Sears	
Louise Singleton	
Vinnette Small	Removed 1 Sep 2022
Janet Smith	Removed 1 Sep 2022
David Street	Removed 26 May 2022
Karen Whitehouse	
Paul Williams	
Charles Wiredu	

Charity number

1134040

Auditor

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

Bankers

Barclays Bank Plc
Ealing Branch
Leicester
LE87 2BB

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

LEGAL AND ADMINISTRATIVE INFORMATION

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

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

CONTENTS

	Page
Trustees' report	1 - 7
Statement of Trustees' responsibilities	8
Independent auditor's report	9 - 11
Statement of financial activities	12
Balance sheet	13
Statement of cash flows	14
Notes to the financial statements	15 - 27

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

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their report and financial statements for the year ended 31 August 2022. 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 2022

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 2021/22:

- The Circuit has continued to encourage missional thinking and involvement through night shelter projects, Food Bank, the Live at Home Scheme.
- 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 is reviewing its activities and organisation in the light of changes brought by COVID & other societal factors.

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 2022

Financial review

The value of Circuit funds as at 31 August 2022 was £5,891,808, which is a increase of £18,918 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 worshipped on Sunday mornings at Hanwell Methodist Church. In the last year this congregation has closed and its members have become part of other circuit churches. 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 £6,596 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 £275,658 for the next financial year. At the balance sheet date the Circuit held £449,103 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 £167,402 for a full year. The Circuit deems it prudent to hold sufficient to cover these costs for six months, i.e. £83,701.

The total of these possible costs is £359,359.

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

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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 church which previously used the building. In the coming year the Circuit will continue to 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 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 the impact of this on our local churches and the circuit generally.

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 2022/23, the Circuit intends to:

Organisation

- Actively look to appoint Circuit Stewards from each circuit church
- 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

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 2022

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.
- 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 2022

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

Mrs Esther Ackah	Mr Alex Anteyi	Revd Rachel Bending
Mr Simon Bhatti	Mr Hector Chidiya	Revd Nigel Cowgill
Mrs Marion Garnett	Mr Anil Griffin	Mr Colin Hatherall
Ms Fleur Hatherall	Mrs Colleen Hicks	Mrs Jane Horwich
Mr George Lafford	Mrs Kathleen Loveridge	Mrs Janet Malamah-Thomas
Revd Susan Male	Mr George Masih	Mr Harmash Masih
Dr Derek Matthews	Mrs Sylvia Murray	Mrs Marion Narain
Mr George Oliver	Mr Michael Pidoux	Mrs Helen Pye-Smith
Mr Stephen Sears	Revd Ajay Singh	Dcn Theresa Simons-Sam
Ms Louise Singleton	Ms Vinnette Small	Mrs Janet Smith
Mr David Street	Ms Karen Whitehouse	Mr Paul Williams
Mr Charles Wiredu		

Notes

Mrs Esther Ackah: removed 23 Feb 2022
Mrs Marion Garnett: removed 8 Feb 2023
Mr George Lafford: added 1 Sept 2022
Mrs Marion Narain: deceased 9 June 2022
Mr Michael Pidoux: added 8 Feb 2023
Revd Ajay Singh: added 1 Sept 21
Mrs Janet Smith: removed 1 Sept 2022

Revd Nigel Cowgill: added 1 Sept 2021
Mr Anil Griffin: added 23 Feb 2022
Mrs Kathleen Loveridge: removed 14 Sept 2021
Mr George Oliver: deceased 9 Oct 2021
Mrs Helen Pye-Smith: added 23 Nov 2022
Mrs Vinnette Small: removed 1 Sept 2022
Mr David Street: removed 26 May 2022

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 2022

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

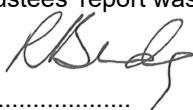
The Circuit subscribes to the importance of the whole people of God continuing to learn and develop to aid their deepening discipleship and ministry, and recognises the crucial importance of continuing learning and exploration for the development and growth of all of its members. A changing society may 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: 28th June 2023
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EALING TRINITY CIRCUIT OF THE METHODIST CHURCH (35/24)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

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 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and 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 Financial Reporting Standard 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 2022 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.

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.

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)

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- we identified the laws and regulations applicable to the charity through communications with the Trustees and other management, and from our knowledge and experience of the sector; and
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011 and taxation and employment legislation; and
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships; and
- tested journal entries to identify unusual transactions; and
- investigated the rationale behind significant or unusual transactions.

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)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims; and
- reading the minutes of meetings of the board of trustees.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the members and management and the inspection of regulatory and legal correspondence, if any.

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.

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 auditor's 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

.....

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 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes						
<u>Income and endowments from:</u>							
Donations and legacies		-	-	-	190	14,474	14,664
Circuit assessment	3	204,458	-	204,458	194,592	-	194,592
Rental income	4	-	-	-	30,040	-	30,040
Investments	5	110,808	-	110,808	88,212	-	88,212
Other income	6	696	-	696	1,436	-	1,436
Total income		315,962	-	315,962	314,470	14,474	328,944
<u>Expenditure on:</u>							
Charitable activities	7	437,044	-	437,044	402,035	14,474	416,509
Connexional Priority Fund levy	13	-	-	-	222,156	-	222,156
Other					5,000	-	5,000
Total resources expended		437,044	-	437,044	629,191	14,474	643,665
Net outgoing resources		(121,082)	-	(121,082)	(314,721)	-	(314,721)
<u>Other recognised gains and losses</u>							
Revaluation of investment properties		140,000	-	140,000	1,317,788	-	1,317,788
Net movement in funds		18,918	-	18,918	1,003,067	-	1,003,067
Fund balances at 1 September 2021		5,859,644	13,246	5,872,890	4,856,577	13,246	4,869,823
Fund balances at 31 August 2022		5,878,562	13,246	5,891,808	5,859,644	13,246	5,872,890

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 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	14	1,024,705		1,024,705	
Investment properties	15	4,418,000		4,278,000	
		<u>5,442,705</u>		<u>5,302,705</u>	
Current assets					
Debtors	16	3,992		20,382	
Cash at bank and in hand		523,218		641,119	
		<u>527,210</u>		<u>661,501</u>	
Creditors: amounts falling due within one year	17	(78,107)		(91,316)	
Net current assets			449,103		570,185
Total assets less current liabilities			<u>5,891,808</u>		<u>5,872,890</u>
Income funds					
Restricted funds	18	13,246		13,246	
<u>Unrestricted funds</u>					
General unrestricted funds		1,485,774		1,606,856	
Revaluation reserve		<u>4,392,788</u>		<u>4,252,788</u>	
			5,878,562		5,859,644
			<u>5,891,808</u>		<u>5,872,890</u>

The financial statements were approved by the Trustees on

.....
 Revd Rachel Bending (Superintendent)
Trustee

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash absorbed by operations	21		(228,709)		(399,630)
Investing activities					
Proceeds from disposal of tangible fixed assets		-		612,000	
Investment income received		110,808		88,212	
Net cash generated from investing activities			110,808		700,212
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(117,901)		300,582
Cash and cash equivalents at beginning of year			641,119		340,537
Cash and cash equivalents at end of year			523,218		641,119

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

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 Constitutional Practice and Discipline of The Methodist Church, 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 £.

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 2022

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 2022

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 2022

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 2022 £	Unrestricted Funds 2021 £
Acton Hill Methodist Church	23,004	23,003
Ealing Green Methodist Church	61,844	61,843
Greenford Methodist Church	30,096	30,097
Hanwell Methodist Church	28,520	28,519
Kingsdown Methodist Church	27,952	27,952
Northolt Methodist Church	10,824	8,118
Pitshanger Methodist Church	22,218	15,060
	<u>204,458</u>	<u>194,592</u>

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

4 Rental income

	Total	Unrestricted funds
	2022	2021
	£	£
27 Rosemont Road	-	30,040

The property at 27 Rosemont Rd was reclassified as investment property during the year ended 31 August 2021. The rental income has been treated as investment income for the year ended 31 August 2022.

5 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Interest	1,725	891
Income from investment properties	109,083	87,321
	<u>110,808</u>	<u>88,212</u>

6 Other income

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Other income	<u>696</u>	<u>1,436</u>

Included within other income for 2021 is £1,297 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 2022

7 Charitable activities

	2022 £	2021 £
Staff costs	203,961	196,103
District assessment	45,036	45,036
Expenditure on manses	112,207	65,156
Expenditure on Circuit properties	33,803	24,118
Other expenditure	4,964	28,527
District advance fund	13,270	26,899
Minister relocation costs	2,039	6,343
	<u>415,280</u>	<u>392,182</u>
Grant funding of activities (see note 8)	6,596	796
Share of support costs (see note 9)	4,668	13,031
Share of governance costs (see note 9)	10,500	10,500
	<u>437,044</u>	<u>416,509</u>
Analysis by fund		
Unrestricted funds	437,044	402,035
Restricted funds	-	14,474
	<u>-</u>	<u>14,474</u>

8 Grants payable

	2022 £	2021 £
Grants to institutions:		
London Citizens	-	700
Kings Hall Methodist Church	6,500	-
Beyond the Street	96	96
	<u>6,596</u>	<u>796</u>

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

9 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Printing, postage and stationary	329	-	329	296	-	296
Sundry	2,153	-	2,153	737	-	737
Payroll service	480	-	480	480	-	480
Legal and professional fees	-	-	-	10,609	-	10,609
TMCP management fee	1,355	-	1,355	529	-	529
Bank charges	351	-	351	380	-	380
Audit fees	-	5,500	5,500	-	5,500	5,500
Accountancy	-	5,000	5,000	-	5,000	5,000
	<u>4,668</u>	<u>10,500</u>	<u>15,168</u>	<u>13,031</u>	<u>10,500</u>	<u>23,531</u>
Analysed between						
Charitable activities	<u>4,668</u>	<u>10,500</u>	<u>15,168</u>	<u>13,031</u>	<u>10,500</u>	<u>23,531</u>

Governance costs includes payments to the auditors of £10,500 (2021: £10,500) 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 2022

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:

	2022	2021
	£	£
Stipends of Presbyters	110,230	109,043
Employer's National Insurance contributions	10,653	10,287
Employer's pension contributions to a defined benefit pension scheme	27,787	26,904
	<u>148,670</u>	<u>146,234</u>

The reimbursement of Trustees' expenses were as follows:

	2022	2021
	£	£
Travel	360	453
Telecommunications	3,982	4,615
Postage, printing & stationary	1,116	-
Relocation	2,039	1,447
Training	476	-
	<u>7,973</u>	<u>6,515</u>

11 Employees

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
Ministers	4	4
Lay and administrative staff	4	4
	<u>8</u>	<u>8</u>

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

11 Employees		(Continued)
Employment costs	2022 £	2021 £
Stipends	114,231	106,977
Wages and salaries	34,220	31,845
Social security costs	12,847	11,982
Staff administration costs	13,405	17,644
Other pension costs	29,258	27,655
	<u>203,961</u>	<u>196,103</u>

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 £148,670 (2021: £146,234).

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

13 Connexional Priority Fund levy (CPF)

	Unrestricted funds £ 2022	Unrestricted funds £ 2021
Levy on sale of 21 Dormer Wells	-	222,156
	-	222,156

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 2021	1,024,705	3,938	1,028,643
At 31 August 2022	1,024,705	3,938	1,028,643
Depreciation and impairment			
At 1 September 2021	-	3,938	3,938
At 31 August 2022	-	3,938	3,938
Carrying amount			
At 31 August 2022	1,024,705	-	1,024,705
At 31 August 2021	1,024,705	-	1,024,705

15 Investment property

	2022 £
Fair value	
At 1 September 2021	4,278,000
Net gains or losses through fair value adjustments	140,000
At 31 August 2022	4,418,000

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

15 Investment property

(Continued)

Investment properties comprise four flats at Havelock House and the properties at 37 and 39 Newton Avenue and 27 Rosemont Road. The Trustees obtained an independent professional valuation for the Havelock House and Newton Avenue properties in the year ended 31 August 2015. The Trustees also obtained an independent valuation of the Rosemont Road property in May 2022. During the year the Trustees used the House Price Index average movement for flats and houses in the Borough of Ealing to revalue the investment properties owned by the Charity.

The carrying amount of the investment properties if valued at its original cost would have been £26,112 (2021: £26,112).

16 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Prepayments and accrued income	3,992	20,382

17 Creditors: amounts falling due within one year

	2022 £	2021 £
Deferred income	52,713	52,955
Accruals and other trade creditors	25,394	38,361
	<u>78,107</u>	<u>91,316</u>

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 2022

18 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 2020	Incoming resources	Resources expended	Balance at 1 September 2021	Incoming resources	Balance at 31 August 2022
	£	£	£	£	£	£
Benevolent fund	1,502	-	-	1,502	-	1,502
K1-Future	11,422	-	-	11,422	-	11,422
3 generation	322	-	-	322	-	322
Manse refurbishment	-	14,474	(14,474)	-	-	-
	13,246	14,474	(14,474)	13,246	-	13,246

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

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.

19 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 August 2022 are represented by:						
Tangible assets	1,024,705	-	1,024,705	1,024,705	-	1,024,705
Investment properties	4,418,000	-	4,418,000	4,278,000	-	4,278,000
Current assets/(liabilities)	449,103	-	449,103	556,939	13,246	570,185
	5,891,808	-	5,891,808	5,859,644	13,246	5,872,890

20 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.

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

21	Cash generated from operations	2022 £	2021 £
	Surplus for the year	(121,082)	(314,721)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(110,808)	(88,212)
	(Gain)/loss on disposal of tangible fixed assets	-	5,000
	Movements in working capital:		
	Decrease/(increase) in debtors	16,390	(16,167)
	(Decrease)/increase in creditors	(12,967)	8,043
	(Decrease)/increase in deferred income	(242)	6,427
	Cash absorbed by operations	(228,709)	(399,630)
		<hr/>	<hr/>
22	Analysis of changes in net funds		
	The Circuit had no debt during the year.		