

# **EALING TRINITY METHODIST CIRCUIT**

**Circuit 35/24**

## **FINANCIAL STATEMENTS for the year ended 31 August 2012**

Registered Charity No. 1134040

*Superintendent Minister:*  
Rev Dr Jennifer Smith

*Trustees:*  
Members of Ealing Trinity Methodist Circuit Meeting

*Independent Examiner*  
Mr Peter W. Green FCCA

*Bankers:*  
Barclays Bank plc

## **Report of the Trustees of Ealing Trinity Methodist Circuit for the year ended 31 August 2012**

This has been a year of Change and in a sense a lot of work has occurred that will move Ealing Trinity into a role as a Circuit for Mission. A lot of Circuit time had been taken up in dealing with issues about buildings and whilst this will continue for a while yet, the fundamental shift has started.

The first Step was in changing the way we staff the Circuit in terms of ministers and that we were going to implement a Team based ministry with a Diaconal component. We were going to lose 3 of our 4 ministers. Michaela Youngson was moving to District Chair, Kip Bennett was going to retire and Roger Dunlop was due to move on to another appointment. The Stationing process went well and we were blessed by 4 new people with a good synergy between them to start in September 2012. We applied for a Diaconal post which was filled by Richard Goldstraw and this was the first step in improving our Mission Work. Then we received Peter Catford as an experienced Presbyterian, Chrissie Howe for her second appointment and Suva Catford and as probationer which tied in with our desire to be a training Circuit. Jennifer Smith became our Superintendent.

The Circuit also said goodbye to Graham Hinton who was a local church leader at Acton Hill LEP and then in September 2012 we said goodbye to Revd David Nichols who had served Acton Hill as a URC minister in the interim.

Also in the process of change we were due to have a change over of Circuit Stewards at the end of the year and so Peter Green handed over the Treasurers role to David Street during that period and Peter Chadburn volunteered to stay on an extra 6 months in order to ease the handover.

Administratively Gerald Barton moved to an office at Kingsdown Church and managed that side of work from there. The role was enhanced in order that this would act not only as main support to the superintendent but also in effect act as day to day Circuit executive role in managing relationships with Solicitors and Estate Agents for the disposal of property.

During the year there were difficulties over our ministerial staffing and so for the summer of 2012 we ended up using 6 pre-packaged services that the churches could use. These were prepared with the help of the Lay preachers and proved to be popular.

Moullin House was no longer running as a hostel but whilst the Marketing and other work was in progress we used Camelot to provide a small group of people to live there in order to provide security. The Council wanted to keep it as Hostel accommodation and so we had to Market it as a Hostel during the year, with offers coming in towards the end of the year. A lot of handover operations and tidying up of financial aspects occurred during the year.

Certain management changes were made in that we embraced the concept of "Short Life Groups" rather than ongoing sub-committees in order that people are more likely to volunteer for a shorter period to handle a single task. The Moulin Disposals Group and the Manse Preparation Group were 2 elements of this.

All Church stewards were required to attend Safeguarding training.

During the year various Circuit events occurred and the aim is to expand the role of the circuit within churches to allow members to identify with their colleagues in other churches.

International Evening

Greenford Walk for Water

Lent Course

Circuit choir

Safeguarding Training.

Student drop in from Thames Valley University (now University of West London)

Various ecumenical activities such as Easter and Christmas events.

In conclusion this was a period where there were changes in the way we organise and where creative thinking and new staff became part of the scene. Also a difficult period as we try to shift from property related issues to laying the Mission groundwork. These aspects will continue into the next year but eventually we will see a Circuit with its main Focus being on Mission.

*Mr Peter Chadburn*

*Senior Circuit Steward*

23 January 2013

**Independent Examiner’s Report to the Trustees of Ealing Trinity Methodist Circuit**

This report is on the Circuit Accounts for the year ended 31 August 2012 carried out under Section 43 of the Charities Act 1993.

**Respective responsibilities of Trustees and Examiner**

As Trustees you are responsible for the preparation of accounts. The Charity’s Trustees consider that an audit is not required for this year under Section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed. The charity is preparing accrued accounts and I undertake the examination having due financial knowledge as a

.....  
It is my responsibility to:

- examine the accounts under section 43 of the 1993 Act;
- follow the procedures laid down in the Directions given by the Charity
- state whether particular matters have come to my attention.

**Basis of Independent Examiner’s Report**

My examination was carried out in accordance with the general Directions given by the Charity Commission and is in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a ‘true and fair view’ and the report is limited to those matters set out in the statement below.

**Independent Examiner’s Statement**

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the
  - to keep accounting records in accordance with Section 41 of the 1993 Act and Section 44 (1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts; and
  - to prepare accounts which accord with the accounting records and comply with accounting requirements of the 1993 Act and Section 44(1)9b of the 2005 Act and the 2006 Regulations.

have not been met; or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

NAME:.....

Signature.....

Qualifications.....

Address: .....Date.....

**EALING TRINITY METHODIST CIRCUIT**

**STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 August 2012**

	Note	General Fund	Circuit Model Trust Fund	Restricted Funds	Endowment Funds	Total 2011-12	Total 2010-11
		£	£	£	£	£	£
<b><u>Incoming Resources</u></b>							
Assessment or Share	2	195,649				195,649	201,252
Interest and Investment Income		520	2,949			3,469	4,260
Grants							207
Lettings		74,673				74,673	43,600
Other Income	3	1,488	568			2,056	1,321
<b>TOTAL INCOMING RESOURCES</b>		<b><u>272,330</u></b>	<b><u>3,517</u></b>			<b><u>275,847</u></b>	<b><u>250,640</u></b>
<b><u>Resources expended</u></b>							
Stipends, salaries, NIC and Pension costs	4	145,045				145,045	132,207
District Assessment		5,364				5,364	5,001
Methodist Church Fund		31,603				31,603	30,349
Administration, Telephone and Travel	5	11,756				11,756	16,340
Insurance, utilities etc	6	12,765				12,765	14,848
Maintenance on manses	7	43,415				43,415	43,000
Expenditure on other Circuit property	8	20,686				20,686	19,790
Depreciation	9	1,263				1,263	1,262
Other Expenditure	10	4,608	395			5,003	18,255
Grants and Donations	11	675				675	1,497
Contributions to District Advance Fund				8,788		8,788	9,075
<b>TOTAL RESOURCES EXPENDED</b>		<b><u>277,180</u></b>	<b><u>9,183</u></b>			<b><u>286,363</u></b>	<b><u>291,624</u></b>
<b>Net Incoming Resources before transfers</b>		<b>-4,850</b>	<b>-5,666</b>			<b>-10,516</b>	<b>-40,984</b>
Transfers between funds		61,125	-61,125				
<b>Net Incoming Resources before gains/losses</b>		<b>56,275</b>	<b>-66,791</b>			<b>-10,516</b>	<b>-40,984</b>
Gains / losses on investment funds		-2,071,483				-2,071,483	
<b>Net movement in funds</b>		<b>-2,015,208</b>	<b>-66,791</b>			<b>-2,081,999</b>	<b>-40,984</b>
<b><u>Reconciliation of funds</u></b>							
Total funds brought forward		2,338,810	182,285			2,521,095	2,562,079
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>£323,602</u></b>	<b><u>£115,494</u></b>			<b><u>£439,096</u></b>	<b><u>£2,521,095</u></b>

**For information only: Money received and passed on to External Organisations**

Balance brought forward from last year			Nil
Offerings/Gifts - received	19		1,624.68
Offerings/Gifts - passed on	19		<u>1,624.68</u>
Balance carried forward			Nil

**EALING TRINITY METHODIST CIRCUIT**

**BALANCE SHEET as at 31 August 2012**

	Note	General Fund	Circuit Model Trust Fund	Restricted Funds	Endowment Funds	Total 2011-12	Total 2010-11
		£	£	£	£	£	£
<b>Tangible Fixed Assets</b>							
Manses etc	12	153,517				153,517	2,226,263
Investment properties							
Investments							
<b>Total fixed assets</b>		<b>153,517</b>				<b>153,517</b>	<b>2,226,263</b>
<b>Current Assets</b>							
Debtors and Prepayments	13	155,125				155,125	80,856
Central Finance Board and Trustees for Methodist Church Purposes deposits	14	49,517	115,494			165,011	251,458
Cash at Bank and in hand	14	7,433				7,433	10,995
<b>Total current assets</b>		<b>212,075</b>	<b>115,494</b>			<b>327,569</b>	<b>343,309</b>
<b>Creditors and Accruals (due in under 1 yr)</b>	15	41,990				41,990	48,477
<b>Net current assets (liabilities)</b>		170,085	115,494			285,579	294,832
<b>Total assets less current liabilities</b>		<b>323,602</b>	<b>115,494</b>			<b>439,096</b>	<b>2,521,095</b>
<b>Loans and creditors due after 1 year</b>	16						
Provisions for liabilities and charges							
<b>Net assets</b>		<b>£323,602</b>	<b>£115,494</b>			<b>£439,096</b>	<b>£2,521,095</b>
<b>Funds of the Circuit</b>							
General Fund (Unrestricted)		323,602				323,602	2,338,810
Circuit Model Trust Fund (Unrestricted)			115,494			115,494	182,285
Other Funds (Restricted)							
Endowment Funds							
<b>Total Funds</b>		<b>£323,602</b>	<b>£115,494</b>			<b>£439,096</b>	<b>£2,521,095</b>

**There are no Internal Organisations reporting to the Circuit Meeting**

Rev Dr Jennifer Smith  
 Superintendent Minister  
 19 Queen Anne's Gardens  
 Ealing  
 London  
 W5 3BP

David F.H. Street  
 Circuit Steward (Finance)  
 112 Mayfield Gardens  
 Hanwell  
 London  
 W7 3RD

**EALING TRINITY METHODIST CIRCUIT – Financial Statements 2011/2012**

**NOTES TO THE ACCOUNTS**

**1 Accounting Policies**

Accounting convention

The accounts are prepared on the accruals basis under the historical cost convention in accordance with the Statement of Recommended Practice “Accounting and Reporting by Charities” (the SORP) and the Finance reporting Standard for Smaller Entities.

Circuit Model Trust Fund

This is an un-restricted fund applied in accordance with the Standing Orders of the Methodist Conference. Any proceeds of sale of property which are permitted by Standing Orders to be kept in the Circuit are paid into the Circuit Model Trust Fund.

Properties

Manse properties are shown at historical cost values rather than at an estimated market value. The Insured value of each property is given to enable an approximation of the current market values

**2 Gross Church Assessments**

	<b>2012</b>	<b>2011</b>
	£	£
Acton Hill	18,564	25,302
Ealing Green	34,650	34,650
Greenford	30,000	30,000
Hanwell	27,510	26,200
King’s Hall (English speaking)	10,500	10,000
King’s Hall (Urdu speaking)	9,000	12,000
Kingsdown	36,250	34,500
Northolt	14,000	14,000
Perivale	3,675	3,600
Pitshanger	11,500	11,000
	<u>195,649</u>	<u>201,252</u>

**3 Other incoming resources**

	<b>2012</b>	<b>2011</b>
	£	£
Photocopying donations	1,186	1,321
Circuit services	568	
Other miscellaneous income	302	
	<u>2,056</u>	<u>1,321</u>

**4 Stipends, salaries, pensions and associated costs**

Standing Orders of the Methodist Conference permit ministers/lay workers to be paid a stipend from Circuit funds. The stipend of each minister is that specified by the Methodist Conference plus a £555 London Allowance and that of the lay worker as agreed by the circuit meeting. All Methodist ministers receive the same stipend, except for the Superintendent Minister who receives an extra allowance of 7.5% of standard stipend. As all circuit ministers are trustees of the Circuit Funds by virtue of their membership of the Circuit Meeting, remuneration received by ministers is shown in detail in the table below

	<b>Stipend</b>	<b>Pension</b>	<b>NIC</b>	<b>TOTAL</b>
	£	Fund £	(Employers) £	£
Rev Michaela Youngson	23,803	5,398	2,294	31,495
Connexional Refund	-568		-78	-646
Rev Roger Dunlop	21,654	5,398	2,081	29,133
Rev Christopher Bennett	21,654	5,398	1,998	29,050
Rev Dr Jennifer Smith	21,654	5,398	1,998	29,050
Rev Salamat Zindani	6,541			6,541
	<u>94,738</u>	<u>21,592</u>	<u>8,293</u>	<u>124,623</u>

### Associated costs

Expenses paid to trustees consist of reimbursed travel and administration expenses. Relocation expenses for incoming ministers are reimbursed by the receiving Circuit.

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Ministers computer allowance	600	600
Travel	7,148	5,557
Telephones and Broadband	3,013	3,098
Training/Retreats	716	1,530
Stationery, Books, Postage	905	950
Relocation costs	<u>8,040</u>	<u>          </u>
	20,422	11,735
Stipends etc as above	124,623	120,472
<b>Total costs of Ministry</b>	<b><u>145,045</u></b>	<b><u>132,207</u></b>

Ministers are not employees of the Methodist Church, but are paid a stipend to cover living expenses, enabling them to pursue their calling to serve God in his Church. They are, however, considered employees for tax purposes. If they were considered employees the full time equivalent staff employed by the Circuit during the year would be as follows:

Methodist Ministers	4.0
Associate Minister	0.4
Administrative staff	<u>0.2</u>
	<u>4.6</u>

Methodist ministers working in the Circuit are members of the Methodist Ministers' Pension Scheme. This is a multi-employer defined benefit scheme, and the Methodist Church Connexional Team is unable to identify the Circuit's share of the underlying assets and liabilities on a consistent or reasonable basis. Employer's pension contributions are therefore accounted for as if the scheme were a defined contribution scheme. The Circuit's contribution to the scheme is identified in Notes 4 and 18 and is included in the Statement of Financial Activities within Resources expended.

<b>5 Administration costs</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
The Circuit employs a part-time circuit administrator in addition to the ministers.		
<b>Circuit Office and Administration</b>		
Rent	1,000	3,600
Staff salary costs	7,778	9,192
Employers NIC	46	88
Stationery /postage/photocopier	1,012	1,635
Telephone/Broadband	753	551
Miscellaneous (including office relocation)	<u>1,167</u>	<u>1,274</u>
	<u>11,756</u>	<u>16,340</u>
<b>6 Insurance and utilities</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Council tax	6,178	8,144
Water rates	1,639	1,883
Manse Insurance	<u>4,948</u>	<u>4,821</u>
	<u>12,765</u>	<u>14,848</u>



<b>7 Maintenance of Manses</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
91 Elers Road, West Ealing	1,313	29,057
89 Costons Avenue, Greenford	8,937	3,197
27 Rosemont Road, Acton	80	7,556
182 Church Road, Hanwell	17,226	96
44 Green Drive, Southall	11,813	123
19 Queen Anne's Gardens		2,550
37 Newton Avenue, Acton	477	245
39 Newton Avenue, Acton	2,820	176
Manse Gas Safety reports	365	
Letting expenses	384	
	<u>43,415</u>	<u>43,000</u>

<b>8 Expenditure on other Circuit property</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
<b>Havelock House, 6 Westbury Road, Ealing</b>		19,790
Insurance	1,394	
Landlord costs	3,536	
Council tax/utilities on un-let flats	771	
Repairs/refurbishments	13,402	
Deposit refund	700	
Letting fees	883	
	<u>20,686</u>	<u>19,790</u>

<b>9 Depreciation of fixed assets</b>	<b>Photocopier</b>	<b>Computer</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
Original costs brought forward	6,316	1,200	7,516
Additions			
Disposals			
Balance at 31 August 2012	<u>6,316</u>	<u>1,200</u>	<u>7,516</u>
<b>Accumulated Depreciation</b>			
Net balance at 1 September 2011	1,263	Nil	1,263
Depreciation Charge for year	-1,263		-1,263
Disposals			
Balance at 31 August 2012	<u>Nil</u>	<u></u>	<u>Nil</u>
<b>Net Book Value</b>			
Brought forward	1,263	Nil	1,263
Carried forward	Nil	Nil	Nil

<b>10 Other expenditure</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Visiting Preachers expenses	116	198
Local Preachers training and expenses	376	403
Retiring Minister's gifts	600	
LWPT Conference fees	150	
URC Assessment		13,455
Property management	3,366	3,840
TMCP management charge	395	359
	<u>5,003</u>	<u>18,255</u>

<b>11 Grants and Donations</b>	<b>2012</b>	<b>2011</b>
	£	£
Ealing Green Trust	500	
Leaders of Worship and Preachers Trust	175	
	<u>675</u>	<u>1,497</u>

## 12 Tangible Fixed Assets (Property)

Properties are valued at Historical Cost valuations and are owned by the Circuit under the Model Trust of the Methodist Church. Upon sale of the properties approximately 60% of the sale proceeds would be paid into the Circuit Model Trust Fund in accordance with the Standing Orders of the Methodist Conference. The remaining sale proceeds are required by Standing Orders to be paid into the Connexional Priority Fund of the Methodist Church and would not be directly available to the Circuit.

Havelock House is owned by the Circuit under the Model Trust of the Methodist Church, and until 2011 its management has been included in the Moullin Memorial Hostel Trust accounts. The Managing Trustees of the Moullin Memorial Hostel Trust are the Ealing Trinity Circuit Meeting. In August 2011 the Moullin Memorial Hostel Trust closed Moullin House and transferred responsibility for Havelock House to the Circuit.

To enable Havelock House to be incorporated into the Circuit's tangible fixed assets the Circuit's other properties were revalued during this Connexional Financial Year to reflect their Historical Cost (Purchase Cost) Values.

<b>Value</b>	<b>2012</b>	<b>2011</b>
	£	£
Estimated market value 2011		2,225,000
Revaluation at Purchase Cost 2012	130,317	
Additions (Havelock House)	23,200	
Disposals		
Value at 31 August 2012	<u>153,517</u>	<u>2,225,000</u>

	<b>Year</b>	<b>Cost of</b>	<b>2012</b>	<b>2011</b>
	<b>purchased</b>	<b>Manse</b>	<b>Insured</b>	<b>Insured</b>
			<b>Value</b>	<b>Value</b>
		£	£	£
91 Elers Road, West Ealing	1931	1,465	534,093	500,000
182 Church Road, Hanwell	1947	6,000	427,275	400,000
89 Costons Avenue, Greenford	1994	106,240	293,751	275,000
44 Green Drive, Southall	1972	14,500	373,865	350,000
27 Rosemont Road, Acton	1938	1,212	427,275	400,000
37/39 Newton Avenue, Acton	1930	900	320,456	300,000
Havelock House, Westbury Gdns, Ealing	1991	<u>23,200</u>	725,417	725,417
		<u>153,517</u>		

<b>13 Debtors and prepayments</b>	<b>2012</b>	<b>2011</b>
	£	£

### Moullin House Loans

These are Loans for emergency funding which are repayable on the disposal of Moullin House.

Further loans provided during 2011-12 were required for additional redundancy costs, settlement of outstanding accounts payable, termination costs of service contracts, continuing utility costs, provision of security and Ealing Council Business Rates at Moullin House.

### Loans made during 2010 - 2011

Replacement boiler and electrical work	25,409
Less Loan repayment	-3,600
Replacement ovens and kitchen equipment	3,407
Staff redundancy costs:	11,300
Clutton's Property Consultancy	<u>13,133</u>
	49,649

	2012	2011
	£	£
Moullin House Loans b/f from previous page		49,649
<b>Loans due at 1<sup>st</sup> September 2011</b>	49,649	
Cluttons fees	1,440	
Press advertisements	2,160	
Additional loans made during 2011-12	60,000	
<b>Loans due at 31 August 2012</b>	<u>113,249</u>	
<b>Other debtors</b>		
John Martin Estates (Letting Fees 2012-13)	1,242	
Havelock House insurance	679	
	<u>1,921</u>	
<b>Prepayments</b>		
Stipends	38,247	29,675
Insurance (01/09/2012 - 25/12/2012)	1,708	1,532
	<u>39,955</u>	<u>31,207</u>
<b>Total Debtors and Prepayments</b>	<u>155,125</u>	<u>80,856</u>

<b>14 Bank and Deposit Funds</b>	2012	2011
	£	£
Bank Current Account	7,433	10,994
CFB Deposit Account	5,487	25,700
TMCP Deposit Account	159,525	225,759
	<u>172,445</u>	<u>262,453</u>
<b>Representing:</b>		
General Fund	55,824	80,168
Circuit Model Trust Fund	115,494	181,728
Training Fund	1,124	557
	<u>172,442</u>	<u>262,453</u>

<b>15 Creditors and Accruals</b>	2012	2011
	£	£
Staff expenses	1,876	
Revenue & Customs (Nat Ins/Tax)	354	
Ealing Green Trust	500	
Manse refurbishments	783	
	<u>3,513</u>	
<b>Receipts in advance</b>		
Assessments from churches in respect of the 2012/2013 connexional year which are always received in advance just before the end of financial accounting period.	38,477	48,477
<b>Total Creditors and Accruals</b>	<u>41,990</u>	<u>48,477</u>

#### **16 Commitments and contingent liabilities**

The Circuit has no current Capital Commitments or Contingent Liabilities

### 17 Related party transactions

The members of the Circuit Meeting are drawn from the ten churches in the Ealing Trinity Circuit. There is, therefore, some commonality of membership between the managing trustees of the Circuit and the managing trustees of the individual church funds. All assessments received from churches and grants given to churches, as shown in the Statement of Financial Activities, could therefore be considered to be material related party transactions

### 18 Other funds and assets

The Circuit Meeting members are managing trustees for Moullin House. Accounts for the Moullin Memorial Hostel Trust are prepared separately.

### 19 External or Agency Funds

For convenience the Circuit acts as a postbox, forwarding a number of Funds for Mission from the individual Churches to the Methodist Connexional Funds offices. These are termed External or Agency Accounts. Although these External accounts pass through the Circuit's books and bank accounts they are separate from, and do not form part of, the Circuit Accounts. During this Financial Year the following External Funds were passed from the Churches to the Methodist Connexional and Mission Funds via the Circuit's bank accounts.

	<b>Collected</b>	<b>Forwarded</b>
	<b>£</b>	<b>£</b>
Chairmans Fund	80.00	80.00
Fund for the Support of Presbyters and Deacons	300.00	300.00
Connexional Property Fund	500.00	500.00
Mission in Britain Fund	694.68	694.68
World Mission Fund	50.00	50.00
	<u>1,624.68</u>	<u>1,624.68</u>