



Charity Registration No. 1134040

**EALING TRINITY CIRCUIT OF THE METHODIST CHURCH**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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

## **LEGAL AND ADMINISTRATIVE INFORMATION**

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**Address**

Ealing Trinity Methodist Circuit  
Kingsdown Methodist Church  
Kingsdown Avenue  
London  
W13 9PR

**Circuit Ministers and Officers****Circuit Ministers**

Revd Rachel Bending (Superintendent)  
Revd Oluyemisi Jaiyesimi  
Revd Shirlyn Toppin  
Revd Susan Male (appointed 1 September 2019)  
Deacon Lemia Nkwelah  
Revd Tasawer Samuel Pandayar (Associate Pastor)

**Circuits Stewards**

Blossom Jackson (Senior Circuit Steward) (resigned 31 July 2019)  
Colleen Hicks  
Derek Nicholls (resigned 31 July 2019)  
Stephen Sears (Treasurer)  
Jane Horwich  
Fleur Hatherall

**Charity number**

1134040

**Investment Managers**

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

**Banker**

Barclays Bank Plc  
Ealing Branch  
Leicester  
LE87 2BB

**Auditor**

Citroen Wells  
Chartered Accountants  
Devonshire House  
1 Devonshire Street  
London  
W1W 5DR

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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 (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

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The Trustees present their report and financial statements for the year ended 31 August 2019. 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 charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

#### Governance

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.

Full name of Charity: The Ealing Trinity Methodist Circuit

Registration Charity Number: 1134040

Date of registration: 3 February 2010

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.

#### Trustees

The Trustees that served during the year and at the date of the approval of the report were as follows:

Mrs Esther Ackah	Revd Rachel Bending	Mr Simon Bhatti
Mr Michael Brown	Mr Hector Chidiya	Mr Colin Hatherall
Ms Fleur Hatherall	Mrs Colleen Hicks	Mr Roy Hill
Mrs Jane Horwich	Rev Oluiyemisi Jaiyesimi	Mr Martin Kingsnorth
Mr George Lafford	Mrs Janet Malamah-Thomas	Mr George Masih
Mr Harmash Masih	Dr Derek Matthews	Ms Carol Morrison
Mrs Sylvia Murray	Mrs Marion Narain	Deacon Lemia Nkwelah
Mr George Oliver	Rev Tasawer Samuel Pandayar	Ms Vinette Small
Mr Stephen Sears	Ms Louise Singleton	Mr David Street
Mrs Janet Smith	Mrs Gill Standfield	Rev Michaela Youngson
Rev Shirlyn Toppin	Ms Karen Whitehouse	

Ms Valerie Cummings-Palmer (resigned 17 January 2019)

Mrs Blossom Jackson (resigned 31<sup>st</sup> July 2019)

Ms Andrea Joseph (resigned 17<sup>th</sup> September 2018)

Mr Melvin Khub-Dass (resigned 11 July 2019)

Mrs Kathleen Loveridge (appointed 11<sup>th</sup> July 2019)

Rev Susan Male (appointed 1<sup>st</sup> September 2018)

Mr Derek Nicholls (resigned 31<sup>st</sup> July 2019)

Ms Cathy Snow (resigned 17<sup>th</sup> January 2019)

Miss Win Thompson (resigned 11<sup>th</sup> July 2019)

Mrs Barbara Williams (resigned 17<sup>th</sup> September 2018)

Charles Wiredu (appointed 17<sup>th</sup> September 2019)

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

## **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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### **Objective and purpose**

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:

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

### **Aims and activities**

The Charity'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:

- a) To resource worship in each of the churches and congregations of the Circuit and in a weekly ecumenical act of worship in Southall.
- b) To hold worship and social gatherings for the whole circuit gathered as one on at least 4 occasions each year.
- c) To resource regular events to develop discipleship, knowledge and practice of faith;
- d) 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;
- e) To offer training to officers, both volunteers and employed, to enable their development and the practice of their tasks within the organisation;
- f) To identify missional needs and to work with partners to fulfil them;
- g) To provide town centre chaplaincy in Greenford alongside ecumenical partners.

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

- a) Worship has been regularly held in each of the Circuit's churches and congregations and in a joint service with a local Anglican Church each week in Southall.
- b) 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.
- c) The Circuit actively supports the work of various social mission projects in which we are a partner, including Foodbanks, Nightshelters, an Interfaith Project in Secondary Schools in Southall 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.

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

## **TRUSTEES' REPORT (CONTINUED)**

### ***FOR THE YEAR ENDED 31 AUGUST 2019***

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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.

#### **Organisational structure**

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.

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

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 AUGUST 2019**

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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.

#### **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.

#### **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 charity meets these public benefit requirements.

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

## **TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2019***

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### **Circuit Policy Committee**

During the year, the Circuit Policy Committee (CPC) - the Circuit Ministerial Staff and Circuit Stewards - met every three months to keep under review the life of the Circuit and to take forward the decisions of the Circuit Meeting.

In addition, there are representatives from the individual churches within the Circuit, as stated in the Constitution Practice and Discipline (CPD) of the Methodist Church.

### **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 page 1.

### **Review of the year**

The Circuit prepares its financial statements under the accruals basis. 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.

### **Financial Review**

The value of Circuit funds as at 31 August 2019 was £4,795,694, which is a decrease of £107,493 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 the 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 £14,423 were awarded during the year.

The Circuit supports the Southall Group Ministry, based at St George's Parish Southall, to provide a Christian Worker to witness in the Southall Schools. Funding of £100,000 over 5 years was agreed by the Circuit Meeting on 26 March 2014. The project also attracted successful grants of £45,000 over 3 years from the All Saints Educational Trust and £30,000 over 2 years from the London District Advance fund. Though these grants pass through the Circuit accounts the commitment from reserves is up to £100,000.



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

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

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#### Principal risks and uncertainties

1. The ongoing financial deficit: The Circuit is seeking to minimise this risk by reducing its staffing by one ordained presbyter in September 2020 and by carefully reviewing its budgets and raising awareness of the problem across the Circuit.
2. Management and administrative structure: At present the Circuit's organisation does not have the capacity or structure to meet the needs of its activities. In the year 2019/20 the Circuit will seek to review its governance and management structures to make them more appropriate for the Circuit's mission and activities.
3. 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 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.
4. Schools Worker Project: This project is nearing the end of its grants under the first phase of its life. It is recognised that it cannot continue in its existing form and that the Circuit cannot continue to fund it. The management team are in the process of carrying out an end of stage review and looking for further funding sources.

#### 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.

#### **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.

#### **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 2019/20, 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.
- Appoint a new diaconal minister to focus on the Circuit's policy and practice for outward-facing mission.
- Review management structures
- Develop Planned Maintenance Strategies for Circuit properties.

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

## **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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### **Mission**

- Continue to encourage change and renewal of mission culture in the Circuit churches.
- Continue ecumenical mission work with the Anglican churches in Southall re-framing the Southall Schools Worker project for the next phase of its life.
- Continue and develop the MHA 'Live at Home' scheme.
- Continue to increase the Circuit's awareness of the need for work with street sex workers in Southall and how that might be achieved to enable the re-establishment of the Ruby Project and to look for ecumenical partners to work with the Circuit.

### **Discipleship and spiritual development:**

- Continue to develop Circuit identity and unity through Circuit events and services and through a partner project fundraising for Christian Aid.
- Develop discipleship through conversations regarding marriage and relationships and Circuit-wide opportunities for spiritual reflection and learning.

### **Achievement and Performance**

The Circuit Stewards are pleased to report on how these objectives have been pursued during 2018/19:

1. The Circuit has appointed one new Circuit Steward and is in conversations to appoint a second. It was decided that the Circuit Policy Committee should be disbanded and replaced by a more tightly organised Circuit Leadership Team consisting of ordained staff and Circuit Stewards in order to enable more effective planning and management of Circuit work. This will commence from 1st September 2019.
2. 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.
3. 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.
4. 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.

### **Risk Management**

Risks faced by the Circuit are constantly considered and reviewed by the Circuit Policy Committee and, where appropriate, have been transferred by paying insurers to take the risks. Security and safety of our churches is largely for those churches to determine and to mitigate following advice from Circuit Officers.

All churches and manses are the subject of quinquennial inspections and the reports on each are reviewed by the Circuit as well as the local Trustees. Action is taken to reduce the risks of injury to all who have a legitimate purpose to be on those premises.

The Circuit employs a Property Administrator to ensure that their properties are well maintained and the risk of injury to occupants and visitors is minimised, and that the Trustees are compliant with all legislation relevant to those properties.

The Circuit operates within a statutory framework of regulation and seeks to ensure that it follows Methodist standing orders. The Connexional Office provides guidance on changes that could affect the Circuit.

The Trustees are aware of their responsibility to ensure that the major risks to which Ealing Trinity Methodist Circuit is exposed are identified and to establish systems to mitigate those risks. They believe that there are in place adequate controls and systems to mitigate any external and internal risks the Charity may face.

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

## **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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### **Safeguarding**

The Circuit follows the Connexional policy on safeguarding as detailed in Creating Safer Space. Each church has a safeguarding representative and there is a Circuit safeguarding coordinator to ensure that training is provided and safe practice is adopted in our work amongst children and vulnerable adults. Over the past year the Circuit has run a series of training sessions delivering the Foundation Module of Creating Safer Space. In the coming year the Circuit will invite those who have yet to renew their training to further sessions. The Circuit is tightening its procedures for ensuring safer recruitment and DBS checks for those who need them.

### **Reserves Policy**

The Circuit believes that it should ensure that it has reserves sufficient to cover the ministers' 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.

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.

### **Commitments**

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

### **Auditor**

The auditors, Citroen Wells, are willing to continue in office. A resolution to appoint auditors will be made by the Trustees.

### **Disclosure of information to auditor**

In so far as the Trustees are aware:

- (1) there is no relevant audit information of which the charity's auditors are unaware; and
- (2) the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Trustees' report was approved by the Board of Trustees on..... and signed on their behalf by:

**Revd Rachel Bending**  
**Superintendent Minister**

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

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 AUGUST 2019***

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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's 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 Standing Orders of the Methodist Church, the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and other relevant regulations. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

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

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF EALING TRINITY CIRCUIT OF THE METHODIST CHURCH**

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#### **Opinion**

We have audited the financial statements of Ealing Trinity Circuit of the Methodist Church (the 'Circuit') for the year ended 31 August 2019, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of 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 Circuit's affairs as at 31 August 2019 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Circuit's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 MEMBERS OF EALING TRINITY CIRCUIT OF THE METHODIST CHURCH**

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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 trust'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 liquidate the trust or 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 there under.

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Other matters**

Your attention is drawn to the fact that the Circuit has prepared financial statements in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2016.

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

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF EALING TRINITY CIRCUIT OF THE METHODIST CHURCH**

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#### **Use of our report**

This report is made solely to the Circuit'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 Circuit'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 Circuit and the Circuit's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Citroen Wells**

.....

**Chartered Accountants  
Statutory Auditor**

Devonshire House  
1 Devonshire Street  
London  
W1W 5DR

Citroen Wells 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

FOR THE YEAR ENDED 31 AUGUST 2019

### Current financial year

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
<b>Income and endowments from:</b>					
Donations and legacies	3	543	30,000	30,543	16,454
<b>Charitable activities</b>					
Circuit assessment	4	195,251	-	195,251	185,091
Investment income and interest	5	84,036	-	84,036	81,646
Rental income	6	25,000	-	25,000	-
Other income	7	930	-	930	568,340
<b>Total income</b>		<b>305,760</b>	<b>30,000</b>	<b>335,760</b>	<b>851,531</b>
<b>Expenditure on:</b>					
<b>Charitable activities</b>					
Stipends and staff costs	8	244,968	34,453	279,421	275,658
District assessment		38,704	-	38,704	40,959
Maintenance on manses	9	52,974	-	52,974	28,619
Expenditure on Circuit properties	10	22,476	-	22,476	19,224
Grants and donations	11	14,423	-	14,423	5,200
Other expenditure	12	(2,658)	774	(1,884)	31,369
District advance fund		21,565	-	21,565	23,021
Circuit administration	13	15,574	-	15,574	19,010
<b>Total expenditure</b>		<b>408,026</b>	<b>35,227</b>	<b>443,253</b>	<b>443,060</b>
<b>Net movement in funds</b>		<b>(102,266)</b>	<b>(5,227)</b>	<b>(107,493)</b>	<b>408,471</b>
Fund balances at 1 September 2018		4,883,403	19,784	4,903,187	4,494,716
<b>Fund balances at 31 August 2019</b>		<b>4,781,137</b>	<b>14,557</b>	<b>4,795,694</b>	<b>4,903,187</b>



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

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2019

Prior financial year

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2018 £
<b>Income and endowments from:</b>				
Donations and legacies	3	1,004	15,450	16,454
<b>Charitable activities</b>				
Circuit assessment	4	185,091	-	185,091
Investment income and interest	5	81,646	-	81,646
Other income	7	568,340	-	568,340
<b>Total income</b>		<b>836,081</b>	<b>15,450</b>	<b>851,531</b>
<b>Expenditure on:</b>				
<b>Charitable activities</b>				
Stipends and staff costs	8	243,363	32,295	275,658
District assessment		40,959	-	40,959
Expenditure on manses	9	28,619	-	28,619
Expenditure on Circuit properties	10	19,224	-	19,224
Grants and donations	11	5,200	-	5,200
Other expenditure	12	31,369	-	31,369
District advance fund		23,021	-	23,021
Circuit administration	13	19,010	-	19,010
<b>Total expenditure</b>		<b>410,765</b>	<b>32,295</b>	<b>443,060</b>
<b>Net movement in funds</b>		<b>425,316</b>	<b>(16,845)</b>	<b>408,471</b>
Fund balances at 1 September 2017		4,458,087	36,629	4,494,716
<b>Fund balances at 31 August 2018</b>		<b>4,883,403</b>	<b>19,784</b>	<b>4,903,187</b>

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

## BALANCE SHEET

AS AT 31 AUGUST 2019

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2019 £	Total 2018 £
<b>Fixed assets</b>					
Tangible assets	17	<u>4,427,917</u>	<u>-</u>	<u>4,427,917</u>	<u>4,427,917</u>
<b>Current assets</b>					
Debtors	19	5,208	-	5,208	11,753
Cash at bank and in hand		<u>423,362</u>	<u>14,557</u>	<u>437,919</u>	<u>542,688</u>
		428,570	14,557	443,127	554,441
<b>Creditors: amounts falling due within one year</b>	20	<u>(75,350)</u>	<u>-</u>	<u>(75,350)</u>	<u>(79,171)</u>
<b>Net current assets</b>		<u>353,220</u>	<u>14,557</u>	<u>367,777</u>	<u>475,270</u>
<b>Total assets less current liabilities</b>		<u>4,781,137</u>	<u>14,557</u>	<u>4,795,694</u>	<u>4,903,187</u>
<b>Accumulated funds</b>					
Unrestricted funds		2,020,137	-	2,020,137	2,122,403
Restricted funds	21	-	14,557	14,557	19,784
Revaluation reserve		<u>2,761,000</u>	<u>-</u>	<u>2,761,000</u>	<u>2,761,000</u>
<b>Total funds</b>		<u>4,781,137</u>	<u>14,557</u>	<u>4,795,694</u>	<u>4,903,187</u>

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

.....  
**Revd Rachel Bending**  
**Superintendent Minister**

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

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2019

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		2019	2018
	Notes	£	£
<b>Cash flows from operating activities</b>			
Cash absorbed by operations	25	(188,805)	(236,146)
<b>Investing activities</b>			
Net proceeds on disposal of property		-	556,749
Interest received		84,036	81,646
<b>Net cash generated from investing activities</b>		<u>84,036</u>	<u>638,398</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		(104,769)	402,249
 Cash and cash equivalents at beginning of year		 542,688	 140,439
 <b>Cash and cash equivalents at end of year</b>		 <u><u>437,919</u></u>	 <u><u>542,688</u></u>

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

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 AUGUST 2019**

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### **1 Accounting policies**

#### **Circuit information**

Ealing Trinity Circuit of the Methodist Church is an unincorporated Charity in England and Wales. The principal office address is given on page 1 of these financial statements. The nature of the Circuit's operations and principal activities are set out in the Trustees' Report.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with Charities Act 2011 and 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (as amended for accounting periods commencing from 1 January 2016)'. 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 trust. 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 Incoming resources**

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

**FOR THE YEAR ENDED 31 AUGUST 2019**

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### **1 Accounting policies - (continued)**

#### **1.5 Expenditure recognition**

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 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.

#### **1.7 VAT**

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

#### **1.8 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 rates calculated to write off the cost or valuation less their residual values over their useful lives as follows:

Plant and machinery	33.33% reducing balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the net sale proceeds and the carrying value of the asset, and is recognised in the Statement of Financial Activities for the year.

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

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### 1 Accounting policies – (continued)

#### 1.9 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.

#### 1.10 Impairment of non-current investments

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.

#### 1.11 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.

#### 1.12 Financial instruments

The Circuit has elected to apply the provisions of Section 11 'Basic Financial Instruments' 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 other payables 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.

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2019**

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### **1 Accounting policies– (continued)**

#### **1.13 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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.14 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.

#### **1.15 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.

### **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

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 3 Donations and legacies

	Unrestricted Funds	Restricted Funds	2019	2018
	£	£	£	£
All Saints Educational Trust	-	15,000	15,000	15,000
London District Methodist Church	-	15,000	15,000	-
Others	543	-	543	454
	<u>543</u>	<u>30,000</u>	<u>30,543</u>	<u>16,454</u>

### 4 Circuit assessment

	Unrestricted Funds	Restricted Funds	2019	2018
	£	£	£	£
Acton Hill Methodist Church	24,389	-	24,389	23,228
Ealing Green Methodist Church	38,514	-	38,514	36,681
Greenford Methodist Church	34,409	-	34,409	32,772
Hanwell Methodist Church	25,022	-	25,022	23,832
King's Hall Methodist Church	-	-	-	8,682
Kingsdown Methodist Church	42,958	-	42,958	30,600
Northolt Methodist Church	18,000	-	18,000	17,907
Pitshanger Methodist Church	11,959	-	11,959	11,389
	<u>195,251</u>	<u>-</u>	<u>195,251</u>	<u>185,091</u>

### 5 Investment income and interest

	Unrestricted Funds	Restricted Funds	2019	2018
	£	£	£	£
Interest	3,578	-	3,578	2,054
Income from investment properties	80,458	-	80,458	79,592
	<u>84,036</u>	<u>-</u>	<u>84,036</u>	<u>81,646</u>

### 6 Rental income

	Unrestricted Funds	Restricted Funds	2019	2018
	£	£	£	£
27 Rosemont Road	<u>25,000</u>	<u>-</u>	<u>25,000</u>	<u>-</u>



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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 7 Other income

	Unrestricted Funds	Restricted Funds	2019	2018
	£	£	£	£
Gain on disposal of 44 Green Drive	-	-	-	542,549
Overage income from Moullin House	-	-	-	25,000
Other income	930	-	930	791
	<u>930</u>	<u>-</u>	<u>930</u>	<u>568,340</u>

### 8 Stipends and staff costs

	Unrestricted Funds	Restricted Funds	2019	2018
	£	£	£	£
Stipends	130,358	-	130,358	119,568
Salaries	40,381	29,739	70,120	91,673
Employer's National Insurance	14,389	2,930	17,319	17,693
Pension costs	36,434	1,784	38,218	31,182
Administrative expenses	23,406	-	23,406	15,542
	<u>244,968</u>	<u>34,453</u>	<u>279,421</u>	<u>275,658</u>

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

There were no outstanding or prepaid pension contributions as at 31 August 2019.

The average number of staff employed during the year was 10 (2018:10).

### 9 Expenditure on Manses

	Unrestricted Funds	Restricted Funds	2019	2018
	£	£	£	£
Building repairs and maintenance	37,188	-	37,188	12,537
Insurance	4,115	-	4,115	4,771
Rates	11,671	-	11,671	11,311
	<u>52,974</u>	<u>-</u>	<u>52,974</u>	<u>28,619</u>

### 10 Expenditure on Circuit Properties

	Unrestricted Funds	Restricted Funds	2019	2018
	£	£	£	£
Building repairs and maintenance	17,014	-	17,014	17,245
Rates	806	-	806	1,355
Professional fees	4,656	-	4,656	624
	<u>22,476</u>	<u>-</u>	<u>22,476</u>	<u>19,224</u>

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 11 Grants and donations

	Unrestricted Funds	Restricted Funds	2019	2018
	£	£	£	£
London Citizens	1,200	-	1,200	1,200
Kings Hall Methodist Church	13,000	-	13,000	4,000
NSPCC	199	-	199	-
Beyond the Street	24	-	24	-
	<u>14,423</u>	<u>-</u>	<u>14,423</u>	<u>5,200</u>

### 12 Other expenditure

	Unrestricted Funds	Restricted Funds	2019	2018
	£	£	£	£
Moullin House closure costs	-	-	-	8,938
Church Closure costs	7,362	774	8,136	24,988
Other costs	(10,020)	-	(10,020)	(2,557)
	<u>(2,658)</u>	<u>774</u>	<u>(1,884)</u>	<u>31,369</u>

### 13 Circuit administration

	Unrestricted Funds	Restricted Funds	2019	2018
	£	£	£	£
Printing, postage and stationery	3,185	-	3,185	4,478
Sundry	60	-	60	455
Auditor's remuneration	10,800	-	10,800	7,800
Payroll service	480	-	480	576
Legal & Professional fees	-	-	-	677
CPF Levy	-	-	-	5,000
TMCP management fee	915	-	915	24
Bank charges	134	-	134	-
	<u>15,574</u>	<u>-</u>	<u>15,574</u>	<u>19,010</u>

### 14 Auditor's remuneration

	2019	2018
	£	£
Fees payable to the auditors	<u>10,800</u>	<u>7,800</u>

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 15 Trustees' remuneration and expenses

	2019	2018
	£	£
Revd Rachel Bending	33,044	32,275
Deacon Lemia Nkwelah	33,044	32,275
Revd Oluyemisi Jaiyesimi	33,044	32,275
Revd Shirlyn Toppin	33,044	32,275
Deacon Ramona Samuel	12,477	17,437
Deacon Susan Male	32,076	2,668
Associate Pastor Tasawer Samuel Pandayar	10,545	5,375
Associate Pastor Penny Pedley	-	30,000
	<u>187,274</u>	<u>184,580</u>

The reimbursement of Trustees' expenses were as follows:

	2019	2018
	£	£
Travel	2,202	1,492
Telephone	5,346	5,440
Printing, postage and stationery	378	1,102
Relocation costs	600	2,735
Training	1,524	1,078
	<u>10,050</u>	<u>11,547</u>

Ministers were paid a stipend, pension, travel and other expenses following Methodist Church guidelines.

The number of Trustees that had expenses reimbursed or paid for by the Circuit was 9 (2018: 7).

### 16 Key management personnel

The key management personnel of the Circuit comprise of the Circuit Ministers and Circuit Stewards as listed on the legal and administrative page.

The Circuit's key management personnel are the ordained ministerial staff. 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 £200,572 (2018: £195,876).

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 17 Tangible fixed assets

	Investment properties	Freehold land and buildings	Plant and machinery	Total
	£	£	£	£
<b>Cost or valuation</b>				
At 1 September 2019 & 31 August 2019	<u>2,785,000</u>	<u>1,642,917</u>	<u>3,938</u>	<u>4,431,855</u>
<b>Depreciation and impairment</b>				
At 1 September 2019 & 31 August 2019	<u>-</u>	<u>-</u>	<u>3,938</u>	<u>3,938</u>
<b>Carrying amount</b>				
At 31 August 2019	<u>2,785,000</u>	<u>1,642,917</u>	<u>-</u>	<u>4,427,917</u>
At 31 August 2018	<u>2,785,000</u>	<u>1,642,917</u>	<u>3,938</u>	<u>4,427,917</u>

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 leading to a gain on the revaluation of £1,117,983. The Trustees consider that the valuation of investment properties remains appropriate at 31 August 2019.

The carrying amount of the investment properties under the historical cost model should have been £1,667,017 (2018: £1,667,017).

### 18 Financial instruments

	2019	2018
	£	£
<b>Carrying amount of financial assets</b>		
Debit instruments measured at amortised costs	<u>-</u>	<u>-</u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised costs	<u>29,265</u>	<u>35,069</u>

### 19 Debtors

	2019	2018
	£	£
Prepayments	<u>5,208</u>	<u>11,753</u>

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

### 20 Creditors: amounts falling due within one year

	2019	2018
	£	£
Accruals	29,265	30,821
Deferred income	46,085	44,102
Other creditors	-	4,248
	<u>75,350</u>	<u>79,171</u>

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

### 21 Restricted funds

	Movement in funds			
	Balance at 1 September 2018	Incoming resources	Outgoing resources	Balance at 31 August 2019
	£	£	£	£
Benevolent fund	1,502	-	-	1,502
School-R	6,086	30,000	(34,453)	1,633
K1-Future	12,196	-	(774)	11,422
	<u>19,784</u>	<u>30,000</u>	<u>(35,227)</u>	<u>14,557</u>

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

**School-R:** School Worker – a Christian worker with responsibility to witness to Southall School

**K1-Future:** Kings Hall (K1) Future Church

### 22 Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	2019	2018
	£	£	£	£
<b>Fund balances at 31 August 2019 are represented by:</b>				
Tangible assets	4,427,917	-	4,427,917	4,427,917
Investments	423,362	14,557	437,919	554,441
Net current liabilities	(70,142)	-	(70,142)	(79,171)
	<u>4,781,137</u>	<u>14,557</u>	<u>4,765,694</u>	<u>4,903,187</u>

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2019

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**23 Capital commitments and contingent liabilities**

At 31 August 2019, the Circuit had no capital commitments and no contingent liabilities.

**24 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.

**25 Cash generated from operations**

	2019	2018
	£	£
(Deficit)/surplus for the year	(107,493)	408,471
Adjustments for:		
Investment income recognised in statement of financial activities	(84,036)	(81,646)
Gain on disposal of tangible fixed assets	-	(556,749)
Loss of disposal of investments	-	14,500
Movements in working capital:		
Decrease/(increase) in debtors	6,545	(6,204)
(Decrease) in creditors	(3,821)	(14,518)
<b>Cash absorbed by operations</b>	<b>(188,805)</b>	<b>(236,146)</b>

**Ealing Trinity Methodist Circuit**

Kingsdown Methodist Church  
Kingsdown Avenue  
West Ealing  
London W13 9PR

Citroen Wells  
Chartered Accountants  
Statutory Auditor  
Devonshire House  
1 Devonshire Street  
London  
W1W 5DR

April 2020

Dear Sirs,

**RE: FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019**

We confirm that the following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the following representations to you. We confirm to the best of our knowledge and belief, and having made appropriate enquiries of other trustees and officials of the charity, the following representations given to you in connection with your audit of the charity's financial statements for the year ended 31 August 2019.

**GENERAL**

1. We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.
2. We acknowledge as trustees our responsibility under the Charities Act 2011 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.
3. All the accounting records have been made available to you for the purpose of your audit and all the transactions undertaken by the charity have been properly reflected and recorded in the accounting records. We have provided you with unrestricted access to all appropriate persons within the charity, and with all other records and related information requested, including minutes of all management and trustee meetings, and correspondence with the Charity Commission.
4. The financial statements are free of material misstatements, including omissions.
5. We believe that the effects of uncorrected misstatements are immaterial both individually and in total.

## **Ealing Trinity Methodist Circuit**

Kingsdown Methodist Church  
Kingsdown Avenue  
West Ealing  
London W13 9PR

### **INTERNAL CONTROL AND FRAUD**

6. We acknowledge our responsibility for the design and implementation of internal control systems to prevent and detect fraud and error. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud. We have disclosed to you all instances of known or suspected fraud affecting the entity involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements. We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the entity's financial statements communicated by current or former employees, analysts, regulators or others.

### **ASSETS AND LIABILITIES**

7. In our opinion, on realisation in the ordinary course of business the current assets in the balance sheet are expected to produce not less than the net book amounts at which they are stated within one year of the balance sheet date.
8. All property held by the Circuit has been recorded and disclosed.
9. The charity has satisfactory title to all assets and there are no liens or encumbrances on the charity's assets, except for those that are disclosed in the notes to the financial statements.
10. We have recorded or disclosed, as appropriate, all liabilities, both actual and contingent, and have disclosed in the notes to the financial statements all guarantees that we have given to third parties.
11. We have no plans or intentions that may materially alter the carrying value and where relevant, the fair value measurements or classification of assets and liabilities reflected in the financial statements.

### **ACCOUNTING ESTIMATES**

12. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

### **LOANS AND ARRANGEMENTS**

13. The charity has not granted any advances or credits to, or made guarantees on behalf of, trustees other than those disclosed in the financial statements.

### **LEGAL CLAIMS**

14. We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for and disclosed in the financial statements.

### **LAWS AND REGULATIONS**

15. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.



## **Ealing Trinity Methodist Circuit**

Kingsdown Methodist Church  
Kingsdown Avenue  
West Ealing  
London W13 9PR

### **RELATED PARTIES**

16. Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with the requirements of legislation and accounting standards.

### **SUBSEQUENT EVENTS**

17. All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed.

### **GOING CONCERN**

18. We believe that the charity's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charity's needs. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the charity's ability to continue as a going concern need to be made in the financial statements.

### **GRANTS AND DONATIONS**

19. All grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such income.

### **CONNEXIAL FUNDS**

20. The Circuit is also responsible for overseeing the collection of monies for the wider work of the Church. Amounts collected do not form part of the audited Circuit Resources. There was no movement on the connexial funds held in the year.

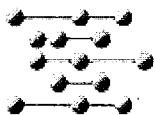
Yours faithfully

.....

**Revd R Bending - Trustee**

Signed on behalf of the board of trustees

**Charity registration number: 1134040**



**citroen wells**  
CHARTERED ACCOUNTANTS

Devonshire House 1 Devonshire Street London W1W 5DR  
T +44 (0) 20 7304 2000 F +44 (0) 20 7304 2020  
E cw@citroenwells.co.uk W www.citroenwells.co.uk

The Trustees  
Ealing Trinity Methodist Church  
Kingsdown Avenue  
West Ealing  
London  
W13 9PR

23 April 2020

Dear Sirs

The purpose of this letter is to bring to your attention the findings from the recent audit of the Circuit's accounts for the year ended 31 August 2019. We appreciate that you will already be aware of the majority of the matters contained in this letter. However, we are required by International Standards on Auditing (UK) to communicate them to you formally.

a) Expected modifications to the auditors' report

There are no expected modifications to the auditors' report.

b) Unadjusted misstatements

We have provided you with a list of unadjusted journals, which following discussion, have not been adjusted on the grounds of materiality.

c) Material weaknesses in accounting and internal control systems

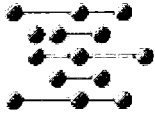
As you are aware from our letter of engagement, our audit procedures were directed towards testing the accounting systems in operation upon which we have based our assessment of the accounts.

The following matters were noted during the audit which we feel should be brought to your attention for consideration:

- As with the charitable expenditure, all administrative expenditure should also be evidenced as authorised by the Treasurers or a responsible individual and supporting documentation retained and filed in respect of all payments on file. We suggest that the approval process is evidenced.
- The last professional valuation of the Circuit's investment properties was in 2015. The Trustees have been valuing the properties in the interim. Valuations should be carried out with sufficient regularity so that the value in the accounts is not materially different to the market value. The Trustees should consider obtaining a professional valuation in the near future to corroborate their interim valuation.



Partners: Jonathan Prevezer FCA, Mark Bailey FCA CTA, Stephen Simou FCA, Henry Charles FCA, David Marks FCA, Walter Lian FCCA, David Kidd FCA CTA, Maxine Higgins FCA, Nick Brennan FCA CTA, Kim Youle FCA, Marc Levy FCA, James Berry ACA CTA, Hannah Sibley ACA, Emma Florentin-Lee ACA CTA, Alex Kruse FCA  
Consultants: Eric Charles FCA, Gordon Smith FCA, Jimmy Mehla FCCA  
Registered to carry on audit work in the UK and regulated for a range of investment business activities in the UK by the Institute of Chartered Accountants in England and Wales.  
Jimmy Mehla FCCA is licensed to act as an insolvency practitioner in the UK by the Association of Chartered Certified Accountants.



d) Qualitative aspects of the entity's accounting practices and financial reporting

We have no comments to make concerning the qualitative aspects of the entity's accounting practices and financial reporting.

e) Other matters required to be communicated by International Standards on Auditing (UK) and the Ethical Standard issued by the Financial Reporting Council

As you are aware, we provide non-audit services to the Circuit i.e. accounts preparation in addition to acting as auditors. However, this additional service is considered to be of a routine compliance nature as you take any decisions where judgement is required. Where accounting services are provided by the audit team (such as the preparation of financial statements), we are not required to implement specific safeguards (such as an independent review of this non-audit work) due to the size of the charity.

We therefore consider that the firm and the audit engagement team have complied with relevant ethical requirements concerning independence.

There are no other matters required by auditing standards that we are required to communicate to you.

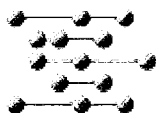
We would like to take this opportunity of expressing our thanks to your staff for their assistance during the course of our audit.

Please note that this report has been prepared for the sole use of Ealing Trinity Methodist Church. It must not be disclosed to third parties, quoted or referred to, without our prior written consent. No responsibility is assumed by us to any other person.

Please contact us if we can be of any further assistance.

Yours faithfully

Citroen Wells



**citroen wells**  
CHARTERED ACCOUNTANTS

Devonshire House 1 Devonshire Street London W1W 5DR  
T +44 (0) 20 7304 2000 F +44 (0) 20 7304 2020  
E cw@citroenwells.co.uk W www.citroenwells.co.uk

**VAT Reg. No 232 1861 88**

Ealing Trinity Methodist Circuit  
Circuit Finance Office  
Ealing Green Church  
The Green  
London  
W5 5QT

**Bill No: 51585**

**Reference: 19646**

**24 April 2020**

***To professional services rendered:***

As per details attached £8,538.75

VAT @ 20.00% £1,707.75

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**£10,246.50**

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**WITH COMPLIMENTS**

If you wish to pay by bank transfer our bank details are Barclays Corporate Banking, Level 27, 1 Churchill Place, London E14  
5HP. Sort Code: 20-67-59, Account name: Citroen Wells Fees Account, Account number: 30766089,  
IBAN: GB78 BARC 2067 5930 7660 89, SWIFT: BARC GB22



Partners: Jonathan Prevezer FCA, Mark Bailey FCA CTA, Stephen Simou FCA, Henry Charles FCA, David Marks FCA,  
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