

**Circuit
Accruals Accounts
2019/2020**

THE METHODIST CHURCH

**TEMPLATE REPORT AND ACCOUNTS
(ACCRUALS BASIS)**

for the year ended 31 August 2020

Barking, Dagenham and Ilford Circuit

Registered Charity - Registration number

1131364

District No / Circuit No 35/31

Ministers

| |
|-----------------------|
| Bernardino M Mandlate |
| Angela Potheary |
| Kido Baek |
| Mmasape Zihle |
| |
| |

Circuit Stewards

| |
|-------------------------|
| Miss Lesley Bentall |
| Mrs Lorna Brown |
| Mrs Foluso Famoyin Egbo |
| Mr Philip Korsah |
| Mrs Sarah Ocran |
| |
| |

Circuit Treasurer

| |
|-----------------|
| Mr Desmond John |
|-----------------|

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31st AUGUST 2020

Introduction

Recognising the value of reflection and accountability, the BDI Circuit is pleased to offer this summary of its activities and stewardship for the year ended 31 August 2020.

Aims and organisation

The mission of the Barking, Dagenham and Ilford Circuit is contained within the description of the Methodist Church's Calling, in that it seeks to enable its local churches to respond to the Gospel of God's love in Christ and to live out its discipleship in worship and mission. The Circuit endeavours to realise this policy through managing its resources effectively, stimulating vision and encouraging mission initiatives.

Review of the year

Revd Bernardino Mandlate, a minister in the Circuit since 2011, accepted the position of Superintendent Minister starting in September 2019. During 2019 he was granted a three year extension to his appointment, starting from 1st September 2020.

A new minister, Revd Mmasape Zihle, joined the Circuit in September 2019, to work with Barkingside, The Drive, and Seven Kings churches.

One fully accredited Local Preacher on the Circuit plan passed away, and another moved away. One Local Preacher was moved from 'On Note' to 'On Trial'

The final grant payment from the London District Advance Fund to the Religious Education Resources Project, was made in 2020. At their meeting on 11th March 2020, the Circuit managing trustees agreed that support to the project should continue and further funding would be sought.

Following the announcement of government restrictions in March 2019, all church buildings in the Circuit were closed; it was hoped that there would be a return to worship some time during September 2020, as long as strict COVID guidelines were adhered to.

Total membership: 540

Income trends

During 2019/20, there was a shortfall in the budget, and a major expenditure on one of the Circuit manses, leading to another projected shortfall in 20/21. The Circuit churches agreed to contribute towards these costs in 2020/21.

Circuit income is primarily drawn from the assessment paid by the circuit churches; but with the agreement of the Circuit Meeting, the cost of special projects, such as the worker for the Religious Education Resources project, are met by drawing on Trust reserves.

Expenditure trends

Stipend expenditure has increased each financial year in line with conference approved increases.

13.8% of expenditure is the Circuit contribution to the District and Connexion, of which a significant part is used to fund the work of the wider Methodist Church.

Fund balances

As at 31 August 2020 the net current assets of the Circuit were £211,238 which is in excess of the Circuit reserve requirements.

Plans for 2020/21

From 1st September 2020 there will be a new Deacon joining the Circuit with pastoral care of the churches in Old Dagenham and Ilford, alongside the Superintendent. The Deacon will also oversee the Circuit project at Grange Hill Methodist Church

The Religious Education Resources Project continues to make a significant contribution to the way in which schools in Redbridge engage in Religious Education. During the pandemic, the work of the project was moved to on-line, with lessons taking place via Zoom, and information packs being emailed to school. This will continue until government restrictions are lifted.

Once churches are allowed to re-open, Circuit Celebrations will be used to help foster a greater sense of Circuit identity, and to offer inspiration to those who attend.

BARKING, DAGENHAM & ILFORD CIRCUIT

Trustee's Annual Report on Finance and Governance

Basis of preparation and legal framework

The Charity's annual report and accounts for the year ended 31 August 2020 have been prepared in accordance with the Charities Act 2011 and the Charities: Statement of Recommended Practice 2015 as applicable to the Financial Reporting Standard (FRSSE) 2015.

Full name of Charity: Barking, Dagenham and Ilford Circuit

Registration Charity Number: 1131364

Date of registration: August 2009

Main communication address: c/o Beacontree Heath Methodist Church, The Broadway,
Dagenham, RM8 1DZ

The members of the Barking, Dagenham and Ilford Methodist Circuit Meeting are the Charity Trustees, membership being made up of Circuit Office holders, ministers and representatives appointed by the local churches. Full membership is shown at the end of this report.

Circuit Ministers and Officers

Active Circuit Ministers: Revd Bernardino M Mandlate
Revd Angela Potheary
Revd Kido Baek
Revd Mmasape Zihle

Circuit Lay Worker: Mrs Caroline Dawson

Circuit Stewards: Miss Lesley Bentall (Senior)
Mrs Lorna Brown
Mrs Foluso Famoyin Egbo
Mr Philip Korsah
Mrs Sarah Ocran

Treasurer: Mr Desmond John

Administrator: Mrs Jackie Saito

Independent Examiner: Wettone Matthews, Market House,
21 Lenten Street, ALTON GU34 1HG

Investment Bankers: Central Finance Board of the Methodist Church
Trustees for Methodist Church Purposes

BARKING, DAGENHAM AND ILFORD CIRCUIT

Aims and Organisation

Charity objective is to act as a Resource provider within the area around Barking, Dagenham and Ilford 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 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;
- c) Any charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church;
- d) Any purpose for the time being of any charity being a charity subsidiary or ancillary to the Methodist Church.

The organisation and resourcing of regular public acts of worship open to members of the church and non-members alike.

The teaching of Christianity through sermons, courses and small groups.

The resourcing of pastoral work, including visiting the sick and bereaved.

Taking religious assemblies in local schools.

Promotion of Christianity through the staging of events and services.

Public Benefit

We confirm the trustees have had regard to the Charity Commissions' guidance on public benefit

Structure, Governance and Management

The governing document for the Circuit is the Deed of Union (1932) and the Methodist Church Act (1976).

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

Day-to day management of the Circuit is undertaken by the Circuit Leadership Team, along with the Local Preachers' meeting.

Trustee Training

A range of guidance produced by Methodist Church's Connexional office to support the effective running of the Circuit, specifically the leaflet 'The Role of a Trustee in the Methodist Church' is given to all new Circuit Meeting members as induction to their role as trustees.

Related Parties

The Circuit is part of the London Methodist District and is also accountable to the Methodist Conference. The following Methodist Churches are linked to the Circuit: Barking, Barkingside, Beacontree Heath, Gantshill, Grange Hill, Goodmayes, Ilford, Old Dagenham, Seven Kings, The Drive.

Trustees

The trustees of the Circuit are the following:

Revd B Mandlate, Revd A Potheary, Revd K Baek, Revd M Zihle, Sister V Nicholls, Miss L Bentall, Mrs L Brown, Mrs F Famoyin Egbo, Mr P Korsah, Ms S Ocran, Mr D John, Mr S Grundy, Mrs C Dawson, Mr C Holmes, Mr C Gallehawk, Dr F Coker, Mrs J Saito, Mr E Ofuso, Mr D Clarke, Mrs J Cheal, Mr C Clarke, Mrs S Grundy, Mr B Vaughan, Mrs G Holroyde, Mrs J Browne, Mr P Jeremy, Mr T Banjo, Mrs P Browne, Mr B Grinham, Mr J Higgins, Mr B Taylor, Miss S Ruckes, Mr J Inbakumar, Mrs S Catmur, Mrs E Weatherstone, Mr P Hall, Mrs P Hall, Mr D Gomm, Mrs J Jones, Mr P Butt, Mr K Wiles, Mrs A Earwaker, Mrs N Silvano, Mrs S Best, Mrs J Morris, Ms R Dzumbira, Mr Y Odelola, Mr T Shaw, Mrs D Ako, Mrs J Nickols, Mr R Nickols, Mr C Fowler, Mrs V Slack, Miss B Westcott, Mrs R Phillips, Ms W Austin

Barking, Dagenham & Ilford Circuit

Risk Management

The major risks have been identified and recorded by the Circuit Finance and Property Committee with professional advice taken as required.

There is a regular annual review process undertaken and recorded.

Income and Expenditure is being monitored in total and is compared with the approved annual budget on a quarterly basis to detect trends as part of the risk management process to avoid unforeseen calls on reserves.

Safeguarding

Every person has a value and dignity which comes directly from the creation of male and female in God's own image and likeness. Christians see this potential as fulfilled by God's re-creation of us in Christ. Among other things, this implies a duty to value all people as bearing the image of God and therefore to protect them from harm.

Methodist Connexional practice outlines commitment to the following principles:

- the care and nurture of, and respectful pastoral ministry with, all children, young people and adults;
 - the safeguarding and protection of all children, young people and adults when they are vulnerable;
 - the establishing of safe, caring communities which provide a loving environment where there is informed vigilance as to the dangers of abuse.
 - We will carefully select and train all those with any responsibility within the Church, in line with Safer Recruitment principles, including the use of criminal records disclosures and registration with the relevant vetting and barring schemes.
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 - the safeguarding and protection of all children, young people and adults when they are vulnerable;
 - the establishing of safe, caring communities which provide a loving environment where there is informed vigilance as to the dangers of abuse.
 - We will carefully select and train all those with any responsibility within the Church, in line with Safer Recruitment principles, including the use of criminal records disclosures and registration with the relevant vetting and barring schemes.
 - We will respond without delay to every complaint made which suggests that an adult, child or young person may have been harmed, co-operating with the police and local authority in any investigation.

The Barking, Dagenham & Ilford Circuit commits itself to ensuring the implementation of Connexional Safeguarding Policy; government legislation, guidance and safe practice in the Circuit and in the Churches.

The Barking, Dagenham & Ilford Circuit commits itself to the provision of support, advice and training for lay and ordained people that will ensure people are clear and confident about their roles and responsibilities in safeguarding and promoting the welfare of children and adults who may be vulnerable.

Reserves Policy

Barking, Dagenham and Ilford Circuit is to hold a minimum of four months average revenue expenditure, which currently equates to some £110,809. This sum will be held in cash across the Bank Current, Central Finance Board Deposit and TMCP accounts. The reserves of the charity stood at £1,538,317 at the year end all of which is unrestricted. Of these reserves £1,327,079 is invested in the charity's property and other fixed assets.

In determining this amount, it is considered that sufficient funds are needed to continue running our planned activities in the event of any inability to raise the full Circuit Assessment from churches. In addition, the Circuit is responsible for maintaining its stock of four manse properties in good, habitable order: these properties range between some 60 and 110 years in age. Therefore, part of our reserves are needed to meet any unforeseen repair costs on these manses, so that such repairs can be undertaken expeditiously.

At the present time, the Circuit holds in excess of the level of reserves stated above in its current account, Central Finance Board Deposit account and TMCP account.

It is the intention of the Circuit Leadership team to review this policy at least annually going forward and to keep the Managing Trustees advised of details.

Statement of Trustees' Responsibilities

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 charity and of the incoming resources and application of resources of the charity 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 charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Financial Activities (SOFA) for the year ended 31 August 2020

| | Notes to the accounts | General Fund (Unrestricted) £ | Circuit Model Trust (Unrestricted) £ | Restricted Funds £ | Total 2019- 20 £ | Total 2018-19 £ |
|--|-----------------------------|-------------------------------------|---|--------------------------|---------------------------|-----------------------|
| Income | | | | | | |
| 1 Donations and legacies | | - | - | - | - | - |
| 2 Income from monetary investments | 1 | 341 | 1,380 | - | 1,721 | 2,204 |
| 3 Income from investment properties | | - | - | - | - | - |
| 4 Assessments on Churches | | 263,900 | - | - | 263,900 | 259,981 |
| 5 Capital Receipts | | - | - | - | - | - |
| 6 Grants received | | - | - | 11,000 | 11,000 | - |
| 7 Other charitable income | | 6,532 | - | - | 6,532 | - |
| 8 Total income | | 270,773 | 1,380 | 11,000 | 283,154 | 262,185 |
| Expenditure | | | | | | |
| 9 Grants and donations | | - | - | - | - | - |
| 10 Salaries and associated costs | 3 | 183,381 | - | 11,000 | 194,381 | 188,238 |
| 11 Property maintenance | 4 | 80,073 | - | - | 80,073 | 66,528 |
| 12 Connexional assessment & model trust levy | | 46,484 | - | - | 46,484 | 41,573 |
| 13 District Assessment & Levy | | - | 5,787 | - | 5,787 | 6,035 |
| 14 Depreciation | | - | - | - | - | - |
| 15 Office expenses | 5 | 3,425 | 331 | - | 3,757 | 5,611 |
| 16 Other outgoings | 6 | 1,946 | - | - | 1,946 | 2,575 |
| 17 Total charitable expenditure | | 315,310 | 6,118 | 11,000 | 332,428 | 310,560 |
| 18 Gains/(losses) on monetary investments | | - | - | - | - | - |
| 19 Gains/(losses) on investment properties | | - | - | - | - | - |
| 20 Net income/(expenditure) | | (44,536) | (4,738) | - | (49,274) | (48,375) |
| 21 Transfers between funds | | - | - | - | - | - |
| 22 Other gains/(losses) | BS1 | 41,144 | - | - | 41,144 | 35,016 |
| 23 Net movement in funds | | (3,392) | (4,738) | - | (8,130) | (13,359) |
| 24 Total funds brought forward | | 1,380,711 | 165,737 | - | 1,546,447 | 1,559,806 |
| 25 Total funds carried forward | | 1,377,318 | 160,999 | - | 1,538,317 | 1,546,447 |

Balance Sheet as at 31 August 2020

| | Notes to the Accounts | General Fund (Unrestricted) £ | Circuit Model Trusts (Unrestricted) £ | Restricted Funds £ | Totals 2020 £ | Totals 2019 £ |
|---|-----------------------|----------------------------------|--|-----------------------|------------------|------------------|
| Fixed Assets | | | | | | |
| Circuit Manses & Equipment | BS1 | 1,327,079 | - | - | 1,327,079 | 1,285,935 |
| Investment properties | | - | - | - | - | - |
| Investments | | - | - | - | - | - |
| Total fixed assets | | 1,327,079 | - | - | 1,327,079 | 1,285,935 |
| Current Assets | | | | | | |
| Debtors | | 8,694 | - | - | 8,694 | 6,697 |
| Loans by the Circuit | | - | - | - | - | - |
| Investments with TMCP | BS2 | 160,999 | - | - | 160,999 | 165,737 |
| Central Finance Board Deposits | BS3 | 53,288 | - | - | 53,288 | 76,414 |
| Cash at Bank and in hand | BS3 | 6,646 | - | - | 6,646 | 14,946 |
| Total current assets | | 229,627 | - | - | 229,627 | 263,794 |
| Current liabilities | | | | | | |
| Creditors (due in under 1 year) | | 18,389 | - | - | 18,389 | 3,282 |
| Grants payable within 2018-19 | | - | - | - | - | - |
| Total current liabilities | | 18,389 | - | - | 18,389 | 3,282 |
| Net current assets/liabilities | | 211,238 | - | - | 211,238 | 260,512 |
| Total assets less current liabilities | | 1,538,317 | - | - | 1,538,317 | 1,546,447 |
| Long term liabilities (due after more than one year) | | | | | | |
| Grants payable after 2018-19 | | - | - | - | - | - |
| Loans to the Circuit | | - | - | - | - | - |
| Net assets | | 1,538,317 | - | - | 1,538,317 | 1,546,447 |
| Funds of the Circuit | | | | | | |
| General Fund (Unrestricted) | BS5.1 | 1,377,318 | - | - | 1,377,318 | 1,380,711 |
| Circuit Model Trust Fund (Unrestricted) | BS5.2 | - | 160,999 | - | 160,999 | 165,737 |
| Designated Funds (Unrestricted) | BS5.3 | - | - | - | - | - |
| Total Unrestricted Funds | | 1,377,318 | 160,999 | - | 1,538,317 | 1,546,447 |
| Restricted Funds | | - | - | - | - | - |
| Endowment Funds | | - | - | - | - | - |
| Total Funds | | 1,377,318 | 160,999 | - | 1,538,317 | 1,546,447 |

Signed



Circuit Treasurer

BARKING, DAGENHAM & ILFORD CIRCUIT

Notes to the accounts for the year ending 31st August 2020

1a Basis of accounting and accounting policies

i Accounting standard

The financial statements have been prepared in accordance with *Accounting and Reporting by Charities: Statement of Recommended Practice (SORP)* applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective from 1 January 2015)-(Charities SORP (FRS 102)).

ii Public benefit entity

The Barking, Dagenham and Ilford Circuit meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes below.

iii Basis

These accounts have been prepared on the basis of historical cost except that investments are shown at their market value at the end of the year. The accruals basis has been used and trustees present accounts that show a true and fair view of the Circuit's financial position and activities.

iv Content

The financial information present is relevant, reliable, comparable and complete. Where estimates are used these are based on experience, research and judgement. The accounts are expressed in £ Sterling, rounded to the nearest pound.

v Going Concern

Based on the monetary assets and human resources available at 31 August 2019, the trustees believe that the Circuit is a going concern.

vi Consolidation

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

vii Income recognition

Income is brought into account when there is entitlement and the amount is reliably measurable once it is more likely than not that the economic benefit of the income is forthcoming.

Individual amounts categorised as *Other income* in the SOFA will be shown separately if they are considered material.

The Circuit acts as agent in two matters:

- the collection from Churches and payment over of their contributions to various funds controlled and administered by the Methodist Church- "Connexional Funds"
- the administration (application, collection and disbursement) of grants requested by Churches within the circuit form, but not limited to, the District and Connexion.

In all matters the transactions are not reflected in the SOFA because they are the income of either the Connexion or churches as appropriate. Instead the transactions are disclosed in the Notes to the Accounts as required by SORP (FRS 102).

In accordance with the Charities SORP (FRS 102), the time of volunteers is not recognised.

viii Expenditure

This is recognised when the liability is incurred, or a constructive obligation arises, where the amount is reliably measurable and it is considered more likely than not that there will be an outflow of economic benefit.

ix Grants

Grants made by the Circuit from its own funds are recognised in full at the time of agreement to make a grant without performance conditions or as and when the Circuit accepts that there is a legal or operational obligation to make the payment if it is subject to performance conditions. When the grant to be accrued is recurrent over more than one year the balance payable in future years, discounted to net present value where the difference is material, is treated as a provision for future commitments in the balance sheet against the appropriate fund, the provision being released in future years in accordance with the originally agreed terms. In cases, where the grant has been charged to one fund but for ease of payment has been transferred to another fund any future payment provision is applied to the fund from which the grant is ultimately be paid.

x VAT

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

xi Tangible fixed assets

These are capitalised if they can be used for more than one year, and individually cost at least £1,000. The manses are shown in the accounts at its building insurance valuation as provided by Methodist Insurance PLC. No depreciation is provided on the building because the trustees consider the current residual fair value of the manse buildings (on the assumption that it had reached the end of its useful economic life by the year end) to be not less than its current value. Any depreciation would not be material. The property has been reviewed for impairment.

xii Monetary investments

The Circuit's investments are in monetary assets classified as basic financial instruments under FRS 102 and are held by the Trustees for Methodist Church Purposes (TMCP) as custodian trustees. The valuations, at market value, are those provided by TMCP. The unrealised gains arising on the investments at the end of year are shown in the SOFA.

Debtors and Prepayments

xiii Any debtors would be stated at the amounts owed to the Circuit or prepaid.

xiv Creditors

Creditors include both sundry expenses and accruals.

Notes to the Accounts**1. ASSESSMENTS ON CHURCHES**

The Circuit comprises 10 churches and each is assessed for a contribution to meet overall net costs of the Circuit. The aim is to cover all these net core costs from the Assessment.

2. RELATED PARTY TRANSACTIONS

There were no payments made to trustees for additional services provided to the Circuit by agreement with the Circuit Meeting, this excludes stipends and salaries detailed below.

Details of minister's stipends, other salaries and benefits are shown in note 3. The ministers represent the key management personnel of the charity. The manses are also occupied by ministers of the Circuit. All employees of the charity are also trustees as allowed under the Trust Deed.

| Assessments paid by churches | 2019/20 | 2018/19 |
|-------------------------------------|----------------|----------------|
| Barking | 42,478 | 41,524 |
| Barkingside | 27,876 | 27,250 |
| Beacontree Heath | 18,528 | 18,167 |
| Gantshill | 27,876 | 27,250 |
| Goodmayes | 27,876 | 27,250 |
| Grange Hill | 10,393 | 10,381 |
| Ilford | 26,515 | 25,953 |
| Old Dagenham | 24,051 | 24,655 |
| Seven Kings | 25,220 | 24,655 |
| The Drive | 33,090 | 32,441 |

3. STIPENDS, SALARIES & ASSOCIATED COSTS

Stipends/Salaries were paid to 4 full-time Presbyters, as well as 2 part-time

Lay staff who were involved in Circuit administration and the Religious Education Resources Project (RERP) operating in local Schools. No employees received employee benefits of more than £60,000.

There is no accrual for holiday pay as it is immaterial. The holiday year ends on 31st August.

All staff are paid at or above the London Living Wage. Presbyters are members of the

Methodist Ministers Pension Scheme (MMPS). This is a defined benefit scheme. Lay employees are contractual employees and have the option of joining a pension scheme which the Circuit has arranged with The Pensions Trust. This is a defined benefit scheme to which the Circuit contributes as employer.

The Connexion accounts for both pension schemes and shows the figures in the annual Methodist Church in Great Britain accounts. Restricted funds represent a grant from the London District Advance Fund towards the salary costs of the RERP. Stipend and salary figures shown below are gross and include all associated payroll costs:

| | 2020 | 2019 |
|---|-----------------------|-----------------------|
| Ministers Stipends (Salaries £104,616; ERNI £9,638; Pension Contbns. £26,801) | 141,056 | 138,332 |
| Lay Salaries (Salaries £36,508; ERNI £2,244 and Pension Contbns. £2,145) | 37,723 | 36,029 |
| Payroll Admin Costs | 174 | 166 |
| less RERP Contribution | 0 | 0 |
| less Ilford, Barking, M C contribution | 0 | 0 |
| | 174 | 166 |
| Pensions Trust (Lay Workers) | -39 | 74 |
| less RERP Contribution | 0 | 0 |
| less Ilford M C Contribution | 0 | 0 |
| | -39 | 74 |
| Apprenticeship Levy | 685 | 863 |
| less Ilford, Barking, M C contribution | 0 | 0 |
| less RERP contribution | 0 | 0 |
| | 685 | 863 |
| Ministers Travel | 4,007 | 5,839 |
| Ministers Printing, Postages & Stationery | 795 | 1,390 |
| Ministers Telephone & Broadband | 3,569 | 3,392 |
| less Private Use | 0 | 0 |
| | 3,569 | 3,392 |
| Ministers Support & Training | 1,886 | 545 |
| Relocation Allowance & Removal Expenses | 4,525 | 1,608 |
| TOTAL STIPENDS, SALARIES & ASSOCIATED COSTS | <u>194,381</u> | <u>188,238</u> |

Five lay staff members are paid by third parties. The salaries paid to these employees is not included in the above figures.

4. PROPERTY EXPENSES

The Circuit is Managing Trustee for 4 manses which are occupied by Ministers stationed in the Circuit. The Circuit is responsible for payment of Council Tax, Utilities maintenance charges, Water charges and Insurance, as well as general maintenance costs.

Exceptional charges were incurred during the year in respect of the Shafter Road manse in order to bring it up to a satisfactory state of repair for an incoming Minister. This essential work was funded from the Circuit's Reserves.

| | 2020 | 2019 |
|---|----------------------|----------------------|
| MANSE PROPERTY COSTS | | |
| Quinquennial & Testing Reports | 890 | 5,420 |
| Insurance | 3,236 | 3,293 |
| Manses Cncl. Tax, Water Rates, Genl Mntce. | 14,618 | 17,592 |
| Manse Repairs & Renewals | | |
| 19 Bethell Avenue | 2,960 | 2,345 |
| 7 Hastings Avenue | 300 | 109 |
| 46 Lyndhurst Gardens | 18,130 | 33,689 |
| 27 Shafter Avenue | 36,939 | 80 |
| | 58,329 | 36,223 |
| OTHER PROPERTY COSTS | | |
| The Circuit hires a room under annual Licence from Beacontree Heath Methodist Church for use as an administrative office. Licence is renewable annually on 1st September with a rental of £4,000 per annum for 2019/20. | | |
| Circuit Office rent | <u>3,000</u> | <u>4,000</u> |
| TOTAL PROPERTY EXPENSES | <u>80,073</u> | <u>66,528</u> |

5. OFFICE EXPENSES AND ADMINISTRATION

These costs are for operating the Circuit Office and include printing, postages, stationery, telephone and broadband expenses and also include the administration charge made by the Trustees for Methodist Church Purposes for maintaining our Circuit Model Trust Fund account. Main costs were:

| | 2020 | 2019 |
|----------------------------|---------------------|---------------------|
| Photocopying | | |
| Postages and Stationery | 1,354 | 1,923 |
| Telephone and Broadband | 989 | 1,836 |
| Sundries | 1,081 | 1,511 |
| TMCP Administration charge | <u>331</u> | <u>341</u> |
| Total | <u>3,757</u> | <u>5,611</u> |

6. OTHER OUTGOINGS

| | 2020 | 2019 |
|--------------------------------|--------------|--------------|
| Account Examination Fee | 720 | 1,500 |
| Preaching Fees | 0 | 486 |
| Sundries: | | |
| Compliance survey contribution | 0 | 0 |
| Refreshments | 0 | 0 |
| Circuit events | 122 | 461 |
| Other | 1,105 | 128 |
| | <u>1,226</u> | <u>588</u> |
| | <u>1,946</u> | <u>2,575</u> |

BS1 MANSE PROPERTIES

Buildings comprise 4 manse properties occupied by Ministers stationed in the Circuit.
Office equipment consists of two Desktop PCs and two colour printer/copiers which have now been fully written down in value.

| 1.1 Cost or Valuation | Buildings | Equipment | Total |
|--------------------------------|------------------|---------------|------------------|
| | £ | £ | £ |
| Cost/valuation brought forward | 1,285,935 | 2,998 | 1,288,933 |
| Gains on Manse Properties | 41,144 | | 41,144 |
| less accumulated depreciation | | <u>-2,998</u> | <u>-2,998</u> |
| Net Book Value carried forward | <u>1,327,079</u> | 0 | <u>1,327,079</u> |

| Schedule of Manses: | Value |
|------------------------------|------------------|
| | £ |
| 19 Bethel Avenue Ilford | 465,593 |
| 7 Hastings Avenue Ilford | 264,396 |
| 46 Lyndhurst Gardens Barking | 370,502 |
| 27 Shafter Road Dagenham | 226,588 |
| Total Value | <u>1,327,079</u> |

BS2 INVESTMENT ASSETS

The funds that support the Circuit Model Trust Fund are held in cash by TMCP in Trustees Interest Funds, and interest is credited to the account each month. These are regarded as medium and long term investments. TMCP is the legal owner and Custodian Trustee of all Methodist Model Trust property. Trust property is held for and on behalf of local Managing Trustees who are responsible for the day to day management of trust property. TMCP ensure that, by providing guidance and acting under their direction, the managing trustees comply with Charity Law and Methodist law and policy as determined by the Methodist Conference.

ANALYSIS OF INVESTMENT MOVEMENTS

| Trustees for Methodist Church Purposes deposits | 2020 | 2019 |
|---|----------------|----------------|
| | <u>160,999</u> | <u>165,737</u> |

CHANGES IN INVESTMENT VALUES

| | | |
|--|----------------|----------------|
| Carrying (market) value at beginning of year | 165,737 | 170,708 |
| less Net transfers and charges | <u>-4,738</u> | <u>-4,971</u> |
| Carrying (market) value at end of year | <u>160,999</u> | <u>165,737</u> |

BS3 CENTRAL FINANCE BOARD (CFB) and BANK BALANCES

Monetary balances held at the CFB of the Methodist Church and at HSBC bank are all available on demand without loss of interest. CFB interest is credited to principal each month. The split of these balances across General, Designated and Restricted Funds is arbitrary but wherever possible balances are not shown as negative.

Balances held at 31 August 2020

| | General | Designated | Total |
|-----------------------|---------------|------------|---------------|
| Central Finance Board | 53,288 | 0 | 53,288 |
| HSBC Bank | <u>6,646</u> | <u>0</u> | 6,646 |
| Totals | <u>59,934</u> | <u>0</u> | <u>59,934</u> |

BS4 UNRESTRICTED FUNDS

BS5.1 General Fund

| | | |
|---------|------------------|------------------|
| Balance | 31-Aug-20 | 2019 |
| | <u>1,377,318</u> | <u>1,380,711</u> |

The purpose of the Fund is for use at the discretion of the managing trustees in the furtherance of the general objectives of the Circuit and which have not been designated for other purposes. About 90% of this fund is held as freehold property, being manses for ministers.

BS5.2 Circuit Model Trust Fund

| Balance | 31-Aug-20 | 2019 |
|---------|----------------|----------------|
| | <u>160,999</u> | <u>165,737</u> |

The purpose of the Fund is for use at the discretion of the managing trustees in the furtherance of the general objectives of the Circuit. Its main source of income is from formalistically determined contributions from the sale of manses and church buildings in the Circuit.

BS5.3 Designated Funds

| | 31-Aug-20 | 2019 |
|---------|-----------|----------|
| Balance | <u>0</u> | <u>0</u> |

Manse Maintenance Fund

| | 31-Aug-20 | 2019 |
|---------|-----------|----------|
| Balance | <u>0</u> | <u>0</u> |

These funds are the unspent budgeted maintenance funds to go towards future repairs and maintenance costs of the manses.

Comparative Statement of Financial Activities (SOFA) for the year ended 31 August 2019

| | Notes to the accounts | General Fund (Unrestricted) £ | Circuit Model Trust (Unrestricted) £ | Designated Funds (unrestricted) £ | Total 2018-19 £ | Total 2017-18 £ |
|--|-----------------------------|-------------------------------------|---|--|-----------------------|-----------------------|
| Income | | | | | | |
| 1 Donations and legacies | | - | - | - | - | - |
| 2 Income from monetary investments | 1 | 798 | 1,406 | - | 2,204 | 1,619 |
| 3 Income from investment properties | | - | - | - | - | - |
| 4 Assessments on Churches | | 259,981 | - | - | 259,981 | 254,793 |
| 5 Capital Receipts | | - | - | - | - | - |
| 6 Grants received | | - | - | - | - | - |
| 7 Other charitable income | | - | - | - | - | - |
| 8 Total income | | 260,779 | 1,406 | - | 262,185 | 256,412 |
| Expenditure | | | | | | |
| 9 Grants and donations | | - | - | - | - | - |
| 10 Salaries and associated costs | 3 | 188,238 | - | - | 188,238 | 180,249 |
| 11 Property maintenance | 4 | 56,829 | - | 9,699 | 66,528 | 30,849 |
| 12 Connexional assessment & model trust levy | | 41,573 | - | - | 41,573 | 42,067 |
| 13 District Assessment & Levy | | - | 6,035 | - | 6,035 | 6,737 |
| 14 Depreciation | | - | - | - | - | - |
| 15 Office expenses | 5 | 5,270 | 341 | - | 5,611 | 4,274 |
| 16 Other outgoings | 6 | 2,575 | - | - | 2,575 | 3,125 |
| 17 Total charitable expenditure | | 294,485 | 6,377 | 9,699 | 310,560 | 267,301 |
| 18 Gains/(losses) on monetary investments | | - | - | - | - | - |
| 19 Gains/(losses) on investment properties | | - | - | - | - | - |
| 20 Net income/(expenditure) | | (33,705) | (4,971) | (9,699) | (48,375) | (10,889) |
| 21 Transfers between funds | | - | - | - | - | - |
| 22 Other gains/(losses) | 7 | 35,016 | - | - | 35,016 | 50,445 |
| 23 Net movement in funds | | 1,311 | (4,971) | (9,699) | (13,359) | 39,556 |
| 24 Total funds brought forward | | 1,379,399 | 170,708 | 9,699 | 1,559,806 | 1,520,250 |
| 25 Total funds carried forward | | 1,380,711 | 165,737 | - | 1,546,447 | 1,559,806 |

Comparative Balance Sheet as at 31 August 2019

| Notes to the Accounts | General Fund (Unrestricted) | Circuit Model Trusts (Unrestricted) | Designated Funds (Unrestricted) | Totals 2019 | Totals 2018 |
|--------------------------|--------------------------------|---|---------------------------------------|-------------|-------------|
| | £ | £ | £ | £ | £ |

Fixed Assets

| | | | | | | |
|----------------------------|-----|------------------|----------|----------|------------------|------------------|
| Circuit Manses & Equipment | BS1 | 1,285,935 | - | - | 1,285,935 | 1,250,919 |
| Investment properties | | - | - | - | - | - |
| Investments | | - | - | - | - | - |
| Total fixed assets | | 1,285,935 | - | - | 1,285,935 | 1,250,919 |

Current Assets

| | | | | | | |
|--------------------------------|-----|---------------|----------------|----------|----------------|----------------|
| Debtors | | 6,697 | - | - | 6,697 | 3,806 |
| Loans by the Circuit | | - | - | - | - | - |
| Investments with TMCP | BS2 | - | 165,737 | - | 165,737 | 170,708 |
| Central Finance Board Deposits | BS3 | 76,414 | - | - | 76,414 | 137,881 |
| Cash at Bank and in hand | BS3 | 14,946 | - | - | 14,946 | 622 |
| Total current assets | | 98,057 | 165,737 | - | 263,794 | 313,017 |

Current liabilities

| | | | | | | |
|---------------------------------------|--|---------------|----------------|----------|----------------|----------------|
| Creditors (due in under 1 year) | | 3,282 | - | - | 3,282 | 4,130 |
| Grants payable within 2018-19 | | - | - | - | - | - |
| Total current liabilities | | 3,282 | - | - | 3,282 | 4,130 |
| Net current assets/liabilities | | 94,776 | 165,737 | - | 260,512 | 308,887 |

| | | | | | | |
|--|--|------------------|----------------|----------|------------------|------------------|
| Total assets less current liabilities | | 1,380,711 | 165,737 | - | 1,546,447 | 1,559,806 |
|--|--|------------------|----------------|----------|------------------|------------------|

Long term liabilities

| | | | | | | |
|--------------------------------|--|------------------|----------------|----------|------------------|------------------|
| (due after more than one year) | | | | | | |
| Grants payable after 2018-19 | | - | - | - | - | - |
| Loans to the Circuit | | - | - | - | - | - |
| Net assets | | 1,380,711 | 165,737 | - | 1,546,447 | 1,559,806 |


Funds of the Circuit

| | | | | | | |
|---|-------|------------------|----------------|----------|------------------|------------------|
| General Fund (Unrestricted) | BS5.1 | 1,380,711 | - | - | 1,380,711 | 1,379,399 |
| Circuit Model Trust Fund (Unrestricted) | BS5.2 | - | 165,737 | - | 165,737 | 170,708 |
| Designated Funds (Unrestricted) | BS5.3 | - | - | - | 0 | 9,699 |
| Total Unrestricted Funds | | 1,380,711 | 165,737 | - | 1,546,447 | 1,559,806 |
| Restricted Funds | | - | - | - | - | - |
| Endowment Funds | | - | - | - | - | - |
| Total Funds | | 1,380,711 | 165,737 | - | 1,546,447 | 1,559,806 |

**Barking, Dagenham and Ilford Circuit
DECLARATIONS**

Treasurer

I confirm that I have prepared the accounts from the records of the Circuit and that they include all funds under the control of the Circuit Meeting

Signature of Treasurer  Date 10th March 2021

Name Mr Desmond John

Address BDI Circuit Office, c/o Beacontree Heath Methodist Church,
The Broadway, Dagenham, RM8 1DZ

Presentation to the Circuit Meeting for approval

I confirm that the Accounts have been presented to the Circuit Meeting on 10th March 2021 and were approved.

Signature of the Chair of the Meeting 

Name of the Chair of the Meeting Revd Bernardino Mandlate

Date 10th March 2021

Independent Examiner's Report to the Trustees of the

Barking, Dagenham & Ilford Circuit

This Report is on the Circuit Accounts for the year ended 31st August 2020

Respective responsibilities of Trustees and Examiner

The charity's trustees are responsible for the preparation of the accounts. The Charity's Trustees consider that an audit is not required for this year under Section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under Section 145(5)(b) of the Charities Act; and
- to state whether particular matters have come to my attention

Barking, Dagenham and Ilford Circuit Circuit

Independent Examiner's Report to the Trustees of the Barking, Dagenham and Ilford Circuit

I report to the trustees on my examination of the financial statements of The Barking, Dagenham & Ilford Circuit for the year ended 31 August 2020.

Responsibilities and basis of report

As the trustees of the Circuit you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the Circuit's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Circuits' gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- (1) accounting records were not kept in respect of the Circuit as required by section 130 of the 2011
- (2) the financial statements do not accord with those records; or
- (2) the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Name

PHILLIP DU GAY

Signature

P. du Gay

Relevant Professional qualification or body

FCCA

Address

Wettone Matthews, Market House, 21 Lenten Street, Alton, GU34 1HG

Date

28/6/21