



The Methodist Church

Finchley Methodist Church

Circuit Number 35/35

Registered Charity Number 1133907

**TRUSTEES' REPORT AND ACCOUNTS
YEAR ENDED 31 August 2023**

REGISTERED CHURCH OFFICE

Finchley Methodist Church

227 Ballards Lane

Finchley

London

N3 1NB

TRUSTEES

Rev Martin Wellings (Chair)

Christine Luvele

David French (Treasurer)

Dorothy Moir

Barbara Heatherington

Deborah Lynch-Shyllon

Lindi Lewis

Rev Ben Tsumasi

Henry Forde

Shaun Sanders

Hannah Lynch Shyllon

Annu Varghese

Mary Campbell

Dr Sarada Vijeratnam

Tony Gossett

Dr Latha Thangari

Dr Rajan Vijeratnam

INDEPENDENT EXAMINER

David Evans

38 Galley Lane,

Alkley,

Herts. ,

EN5 4AJ.

BANKERS

HSBC pic

333 Vauxhall Bridge Road

London

SW1V 1EJ

Central Finance Board of the Methodist Church

9 Bonhill Street

London

EC2A 4PE

TRUSTEES' REPORT

The trustees present their report and the financial statements for the year ended 31 August 2023. These have been prepared in accordance with the Charities Act 2011.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Finchley Methodist Church is a constituent Society of the Barnet and Queensbury Methodist Circuit, based in the London Borough of Barnet.

The activities of the Church are governed by The Constitutional Practice and Discipline of the Methodist Church which incorporates the Methodist Church Act 1976. The governing body is the Church Council, whose members are the ministers (presbyters and deacons) appointed to the Circuit by the Methodist Conference, officers and representatives elected annually by the General Church Meeting, a Circuit Steward and co-opted members.

The Superintendent Minister chairs the Church Council.

The Church Council meets a minimum of twice a year and agrees on the broad strategy and areas of activity for the Church, including consideration of grant making investment, reserves and risk management policies and performance. The more detailed management of the Church is entrusted to the Church Stewards, elected annually by the General Church Meeting, and responsible with the Minister in pastoral charge for the day-to-day life and work of the Church.

OBJECTIVES AND ACTIVITIES

The principal objective of the Church is 'the advancement of the Christian faith in accordance with the doctrinal standards and discipline of the Methodist Church' (Section 4a Methodist Church Act 1976). This is done for as many people as possible within the geographical area the Church serves. In addition, the Methodist Church Act allows for the advancement of other charitable purposes 'for the time being' of any subsidiary unit of the Methodist Church. (Sections 4b —4d Methodist Church Act 1976)

Based on the above objectives, with due consideration of the Charities Commission guidance on public benefit and, in particular, the specific guidance on the charities for the advancement of religion, the Church has the following aims:

- The provision of Christian worship, spiritual development and pastoral care both to the members of the Church and to the wider community in which it is located.
- To raise funds so as to make grants to advance the Christian Faith, or for other charitable purposes as for the time being the Church Council deems appropriate, both locally, nationally and internationally.
- To support the advancement of the Christian Faith through ecumenical liaison with other Christian groups.

The majority of the aims fall within the charitable activity 'mission and ministry' (i.e. the overall advancement of the Christian Faith) with a small amount of grant funding being for other charitable purposes.

In support of these aims The Methodist Church owns property in the form of church premises, and manses for staff accommodation. The Custodian Trustees, who hold legal title to these properties are:

The Trustees for Methodist Church Purposes
Central Buildings
Oldham Street
Manchester
M1 1JQ.

The Managing Trustees for church premises are the Church Council members of the local society.

Reserves policy

The Church Council has established a reserves policy that ensures that Finchley Methodist Church can continue to support its commitments in the event of a downturn in the Church's income and can support its more immediate obligations in the event of a delay in the receipt of committed funding. The policy also addresses the Trustees' responsibility for the maintenance of extensive premises, most of which are more than one hundred years old.

The Trustees have set a policy that reserves must not fall below six months operating costs. At 31st August 2023 the Trustees had no concerns about this.

Investment Policy

In common with other Methodist Circuits and Churches, funds not required for immediate use are deposited with the Central Finance Board of the Methodist Church 'CFB'. This produces a minimal level of return while maintaining minimal risk and a high degree of liquidity.

This is reviewed annually.

RISK MANAGEMENT

The Church Council regularly reviews and assesses the risks that affect the wellbeing of the Church and its finances. Action is taken to mitigate risks where appropriate. The main financial risks identified are as follows:

- Loss of income from property lettings
- Unexpected property repairs to churches resulting in an inability to pay circuit Assessment

The Church Council considers that the current level of reserves is sufficient to meet any unplanned expenditure in the event of the above and when planning the budget for future years,

TRUSTEES

The members of the Church Council are appointed in accordance with the Standing Orders of the Methodist Church. The trustees on page 2 are those who served during the reporting year or were serving at the date the accounts were signed.

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

The Trustees are also committed to ensuring that the Connexional Safeguarding Policy is implemented in accordance with government legislation, to provide a safe environment for young people and vulnerable adults.

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Charity law requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of Finchley Methodist Church and of the results for that period. In preparing those financial statements, the trustees are required to:

- ~ select suitable accounting policies and then apply them consistently;
- ~ 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;
- ~ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Circuit will continue to function; and
- ~ comply with the Statement of Recommended Practice on accounting and reporting by charities issued in 2015.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Church. They are also responsible for safeguarding the assets of the Church and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees confirm that they have complied with the above requirements and responsibilities.

Independent Examiners Report 2022-23

I report to the trustees on my examination of the accounts for the year ended 31" August 2023 that are set out below.

Responsibilities and basis of opinion

As the trustees of the Charity, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 – The Act).

I report in respect of my examination of the Trustees accounts carried out under Section 14S of The Act and in carrying out my examination I have followed all the applicable directions given to me by the Charity Commission under section 145(3Mb) of The Act.

Independent Examiners Statement

I have completed my examination and confirm that no material matters have come to my attention in connection with the examination that give cause to believe that in any material respect of:

1. Accounting records were not kept in respect of the charity as required by Section 130 of The Act. ✶
2. The accounts do not accord with those records.

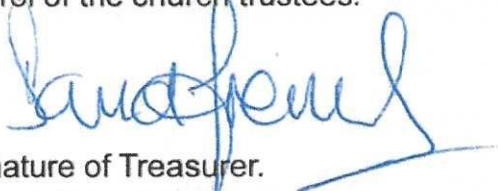
I have no concerns and have come across no other matters in connection with the examination to which attention needs to be drawn in order to enable a proper understanding of the accounts to be reached.



David Evans
38 Galley Lane
Arkley
Herts
ENS 4AJ

Declarations and Scrutiny

I can confirm that these receipts and payments based accounts for the year to 31st August 2023 have been prepared from the records of the church and that they include all funds under the control of the church trustees.



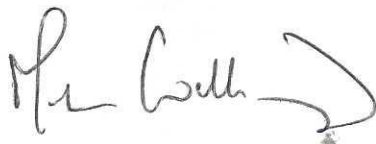
Signature of Treasurer.

Date: 15th April 2023

David French

Presentation to the Trustees

I confirm that the annual report and accounts for the year ended 31 August 2023 were presented to the meeting of the Trustees held on 22 February 2024.



Signature of the Chair of Meeting

Date 26/5/24

Martin Wellings

Finchley Methodist Church
Annual Accounts 2022-23

Given the expenditure pressures assumed for the year, the £5k surplus was a healthy position for the year. We had budgeted for an £8k deficit, so were effectively £13k better off than we had expected to be.

Finchley Methodist Church		
Income and Expenditure Account for Year Ending 31st August 2023		
	Year Ending 31st August 2023	Year Ending 31st August 2022
Donations	26,502	24,109
Gift Aid	0	18,944
Interest Receivable	13,547	1,391
Lettings	35,177	41,772
Rents	51,290	53,800
Other Income	0	0
Total Income	126,516	140,016
Salaries & Payroll	13,939	12,944
Circuit Charge	45,998	43,600
Accountancy Fees	800	800
Bank Charges	462	93
Bookkeeping Fees	2,960	2,485
Repairs and Maintenance	10,822	16,031
Cleaning	5,040	5,848
Estate Agents Fees	7,356	7,194
Insurance	7,786	4,701
IT Support & Telephone	3,096	3,109
Other Expenses	9,834	7,289
Payroll Fees	300	300
Utilities	13,010	12,001
Total Expenditure	121,403	116,395
Net Income	5,113	23,621

Income

Although income was down, the previous year figure was distorted due to a back-dated gift aid claim. The issues with gift-aid are ongoing and it is one area we can tighten up. No gift aid was claimed during the financial year, but as we have four years to claim, I will look at this.

Conversely our interest earned has been much higher (due to interest rate increases), which has offset a significant drop in lettings income. It is difficult to do a year-on-year comparison on lettings as beyond our core lettings, there are a substantial number of ad-hoc bookings.

Overall though the income of £126k was exactly the same figure as budgeted.

Expenditure

The highest single item of expenditure is the circuit fees at £45k, followed by salaries at £14k and both of these were on budget.

The largest underspend was on utilities – actual cost of £13k v a budget of £29k. The budget assumes the massive increases we were seeing when the budget was set but this never materialised – partly because the government announced support packages, but probably also partly because we were very prudent when budget setting as no-one had any idea of the levels at that time.

Repairs and maintenance costs were £10k, which was much lower than the previous year – but the nature of reactive maintenance really means we cannot plan for this, and we have to spend whatever is needed, though having some prior oversight about quotes should mitigate against excessive costs.

Most of the other costs are insignificant.

Balance Sheet

The balance sheet remains very strong, at getting on for four years running costs, so no concerns at all. One benefit of having a strong balance sheet is that at last, our investments are giving us a return.

The accruals are mostly the circuit fees, which were paid after year-end.

The only other thing to note is that the benevolence fund is untouched – I would suggest utilising some of it this year.

Finchley Methodist Church Balance Sheet for Year Ending 31st August 2023		
	31st August 2023	31st August 2022
Current Assets		
Current Accounts	79,197	93,687
Deposit Accounts	411,908	398,691
Total Bank & Cash	491,105	492,378
Debtors	0	666
Total Current Assets	491,105	493,044
Total Assets	491,105	493,044
Current Liabilities		
Accruals	36,500	43,553
Total Liabilities	36,500	43,553
Total Net Assets	454,605	449,491
Funds Analysis		
Unrestricted Funds	452,127	447,013
Restricted - Benevolence Fund	2,478	2,478
	454,605	449,491
Movement	5,114	