

PUTNEY METHODIST CHURCH
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

PUTNEY METHODIST CHURCH

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	The Members of the Church Council
Charity number	1134031
Principal address	Gwendolen Avenue Putney London SW15 6SN
Independent Examiner	Sam Thomas Azets Audit Services Trinity Court 34 West Street Sutton Surrey SM1 1SH
Investment advisors	The Trustees for Methodist Church Purposes Central Buildings Oldham Street Manchester M1 1JQ

PUTNEY METHODIST CHURCH

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PUTNEY METHODIST CHURCH

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their report and financial statements for the year ended 31 August 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Church's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective from 1 January 2015.

Reference and administrative details

Reference and administrative details are shown in the Legal and Administrative Information page of the financial statements.

Objectives and activities

The objective and policy of the trustees, both long term and short term, is to enable the church to function successfully at a local level and, through The Connexion, at a national and international level as well. The Methodist Church's calling is to respond to the gospel of God's love in Christ and to live out its discipleship in worship and mission.

The Church is concerned with helping the wider community, which it does so through a variety of donations to various charities and good causes both in the UK and overseas. It raises money at regular Church services and through occasional fund raising activities. The Church services are at the heart of local life, but Church life extends further. The central four objectives are worship, learning and care, service and evangelism. The Church provides facilities to Lion House School (now Hurlingham Nursery School), from which it receives rental income. Putney Methodist Church also has a Sunday School. The Church also engages in outreach with other local schools and groups, runs a meditation group for local people, and has long-established links with Wandsworth Prison. When gifts and legacies are received they are usually invested for long term benefit, in line with the principles of the Methodist Church. The church is used regularly to host community events, for example concerts and fundraising for charities such as Christian Aid, and also serves as a polling station.

During the year the Church took the decision to assume responsibility for Roehampton Methodist Church, which from next year will become a 'class' of Putney Methodist Church. Putney will from next year be responsible for the finances and management of Roehampton, which serves the Alton Estate in Roehampton.

The Church has also put strategies in place regarding the safeguarding of children and vulnerable adults, a Fire Risk Assessment and a Health and Safety Assessment.

The Church is of the opinion that it fulfils the requirements of Section 4 of the Charities Act 2011, as a result of its work in the community.

The Church relies heavily on volunteer work. Trustees do not receive formal training, other than in safeguarding, but are under the guidance of the Circuit and the Minister who is employed directly by the Circuit. Regular meetings are held to ensure that any issues arising are discussed properly. There were no employees during the year.

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

Achievements and performance

The COVID-19 pandemic severely affected the life and work of the church in many ways. Church services were restricted and at times suspended, as were other activities in the building. However the Church Council made arrangements to continue as much work as possible, for example, by organising online services and other activities, and maintaining key pastoral contacts by telephone. Putney Methodist Church has continued to maintain the Church and school building. Expenditure and donations have been maintained at a level to keep sufficient funds and reserves have been in line with its overall objectives of helping the Church and wider community.

PUTNEY METHODIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Income has been in the form of voluntary donations and the letting of part of the buildings to Hurlingham Nursery School. The COVID-19 pandemic reduced the church's income from congregational collections and from its other users, but this was mitigated as far as possible, for example, by encouraging online donations, and the loss has been manageable. The investments have retained their value, due to the church's cautious portfolio, which was creditable given the current economic conditions. This was in line with the long term objective to keep the church on a solid financial footing. The church and school buildings were valued at £5,892,126 by Methodist Insurance.

Late in the year, and arising from the pandemic, a breakdown in communication with HSBC led to the sudden and unexpected closure of the Church's bank accounts. While this caused serious inconvenience, disrupting both income and the payment of suppliers, the Church had adequate reserves and its operations were largely unaffected. The Church Council decided on 11 July 2021 that the Church should move its business to Metro Bank and this has been done.

Financial review

This reserves policy relates to our General Fund and Restricted Fund. The assets of the Church are spread between bank balances and investment funds held by the Central Finance Board of the Methodist Church and the Trustees for Methodist Church Purposes (TMCP). This helps to ensure regular and reliable returns.

It is the policy of the Church that unrestricted funds which have not been designated for a specific use should be maintained at a level in excess of three month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Church's current activities while consideration is given to ways in which additional funds may be raised.

At the end of the financial year, general unrestricted funds amounted to £388,286 (2020 - £336,276). Our total unrestricted expenditure for the last financial year amounted to £111,671 (2020 - £107,370) and therefore the trustees consider the reserves level as it stands is sufficient to meet the minimum three months expenditure as stated in the policy. This policy is reviewed annually.

Reserves held in the designated fund are for use in the maintenance and upkeep of the Church and ancillary buildings. Designated fund reserves have increased during the year to £145,908 (2020 - £120,753). There are no major plans that require additional funding in the foreseeable future, therefore the Trustees consider these reserves sufficient. If for any reason additional funding were to be required, the Trustees would review the fundraising methods required to raise more funds. The reserves are reviewed annually, in the context of the need for a continuing programme of repair and maintenance of the large and historic church building.

Restricted funds comprise of Benevolent funds of £659 (2020 - £657) unexpended balances of donations and grants held on trust for specific purposes. The endowment funds are held by the Trustees for Methodist Church Purposes and have unrestricted income but the capital is restricted. The balance of the endowments at the end of the year was £3,992 (2020 - £4,070).

The trustees have assessed the major risks to which the Church is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The trustees intend to operate the Putney Methodist Church in a similar manner for the foreseeable future.

Structure, governance and management

The Church completed registration with the Charity Commission in 2010 and is largely governed by a document entitled 'The Constitutional Practice and Discipline of the Methodist Church' last revised in 1996.

The trustees who served during the year are listed in note 21 to these financial statements.

All members of the Church Council are trustees and the minister is automatically appointed. The General Church council meet annually and elect the Church Stewards and representatives to sit on the Church Council. Other designated members such as the Church Council Secretary are elected by the Church Council.

PUTNEY METHODIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The charity's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The charity's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the charity's contractual and other legal obligations.

The charity had no trade creditors at the end of the year.

The Putney Methodist Church is part of the Richmond and Hounslow Circuit of Methodist churches, which is part of the larger London District. The Circuit administers people, property and finance, and acts through central Circuit meetings, which representatives of each of the local churches attend. Putney Methodist Church pays a quarterly assessment to the Circuit to cover the Circuit's costs. All districts are related to each other through The Connexion, which is a network of support for all the churches in Great Britain. The Methodist Church's activities are governed largely by a document entitled 'The Constitutional Practice and Discipline of the Methodist Church' last revised in 1996.

Putney Methodist Church has its own Church Council which makes decisions affecting the Church at a local level. There are no formal training procedures involved in membership of the Church Council, which is ultimately the decision making body for Putney Methodist Church. The Church tries hard to ensure that people on the Church Council and various committees have a combination of relevant skills. Members are from a wide variety of backgrounds and professions.

On a national level, the on going work of the Methodist Conference is undertaken throughout the year by the Methodist Council, which meets four times annually.

Plans for the future

The trustees intend to operate the Putney Methodist Church in a similar manner for the foreseeable future.

PUTNEY METHODIST CHURCH

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the accounts 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 accounts for each financial year which give a true and fair view of the state of affairs of the Church and of the incoming resources and application of resources of the Church for that year.

In preparing these accounts, 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 accounts; and
- prepare the accounts 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 Church and enable them to ensure that the accounts 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 Church and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' report was approved by the Board of Trustees.

C. M. Norris

C Norris
Trustee

28/6/22

Dated

PUTNEY METHODIST CHURCH

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF PUTNEY METHODIST CHURCH

I report to the trustees on my examination of the financial statements of Putney Methodist Church (the Church) for the year ended 31 August 2021.

Responsibilities and basis of report

As the trustees of the Church 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 Church'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

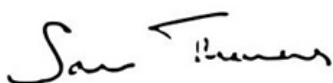
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting 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.

I understand that this has been done in order for 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 2015.

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 Church as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 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.



Sam Thomas
Azets Audit Services
Independent Examiner
ICAEW

Dated: 29/06/2022

Trinity Court
34 West Street
Sutton
Surrey
SM1 1SH
United Kingdom

PUTNEY METHODIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds 2021 £	Endowment funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Endowment funds 2020 £	Restricted funds 2020 £	Total 2020 £
<u>Income and endowments from:</u>									
Donations and legacies	3	51,794	-	-	51,794	18,019	-	2,044	20,063
Investment Income	4	90,197	26	2	90,225	89,796	34	4	89,834
Other income	5	-	-	-	-	1,552	-	-	1,552
Total income		141,991	26	2	142,019	109,367	34	2,048	111,449
<u>Expenditure on:</u>									
Raising funds	7	566	8	-	574	587	8	-	595
Charitable activities	6	111,105	-	-	111,105	106,783	-	2,044	108,827
Total resources expended		111,671	8	-	111,679	107,370	8	2,044	109,422
Net gains/(losses) on investments	12	46,826	(77)	-	46,749	(10,479)	38	-	(10,441)
Net incoming/(outgoing) resources before transfers		77,146	(59)	2	77,089	(8,482)	64	4	(8,414)

PUTNEY METHODIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

Net incoming/(outgoing) resources before transfers	77,146	(59)	2	77,089	(8,482)	64	4	(8,414)
Gross transfers between funds	19	(19)	-	-	26	(26)	-	-
Net incoming/(outgoing) resources	77,165	(78)	2	77,089	(8,456)	38	4	(8,414)
Other recognised gains and losses								
Revaluation of tangible fixed assets	-	-	-	-	143,874	-	-	143,874
Net movement in funds	77,165	(78)	2	77,089	135,418	38	4	135,460
Fund balances at 1 September 2020	6,349,155	4,070	657	6,353,882	6,213,737	4,032	653	6,218,422
Fund balances at 31 August 2021	6,426,320	3,992	659	6,430,971	6,349,155	4,070	657	6,353,882

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

PUTNEY METHODIST CHURCH

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	13	5,968,760		5,944,820	
Investments	14	334,152		287,394	
		<u>6,302,912</u>		<u>6,232,214</u>	
Current assets					
Debtors	15	28,991		30,342	
Cash at bank and in hand		117,147		102,526	
		<u>146,138</u>		<u>132,868</u>	
Creditors: amounts falling due within one year	16	(18,079)		(11,200)	
Net current assets			128,059		121,668
Total assets less current liabilities			<u>6,430,971</u>		<u>6,353,882</u>
Income funds					
Restricted funds	17	659		657	
Endowment funds		3,992		4,070	
<u>Unrestricted funds</u>					
Designated funds	18	145,908		120,753	
General unrestricted funds		388,286		336,276	
Revaluation reserve		<u>5,892,126</u>		<u>5,892,126</u>	
			6,426,320		6,349,155
			<u>6,430,971</u>		<u>6,353,882</u>

The financial statements were approved by the Trustees on 24/6/22

C. M. Norris

C Norris
Trustee

PUTNEY METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Charity information

Putney Methodist Church is part of the Richmond and Hounslow Circuit of Methodist churches whose activities are largely governed by a document entitled 'The Constitutional Practice and Discipline of the Methodist Church' last revised in 1996.

1.1 Accounting convention

The accounts have been prepared in accordance with the Church's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Church is a Public Benefit Entity as defined by FRS 102.

The Church has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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 Church. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Church 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.

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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Church.

1.4 Income

Income is recognised when the Church is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Church has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are accounted for on the basis of when the monies are received by The Central Finance Board.

PUTNEY METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Support costs have been allocated to activities for which they directly relate. Any governance costs have been allocated on the proportion of other costs incurred for the activities.

Resources expended are recognised as Charitable activities under the following headings:

Church events - costs directly associated with running Church Services and events

Gifts to charity - donations made to registered charities

Ecumenical services - donations made to further the charitable activities of the Methodist Church

Assessment by circuit - contributions to the local circuit for minister stipends and to assist in regional governance.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	3-30 years
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The Church building is included in the balance sheet at its insured value as determined by Methodist Insurance Plc. An adjustment is made every year (where material) as an unrealised gain or loss.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the Church 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 (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

PUTNEY METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.10 Financial instruments

The Church has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Church's balance sheet when the Church becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Church's contractual obligations expire or are discharged or cancelled.

1.11 Fixed assets

All fixed assets are initially recorded at cost. Tangible assets with a cost of below £500 are not included in fixed assets.

1.12 Property

After taking advice from the Charities Commission, in conjunction with the Property Methodist Office, the Church building and the school property need to be included on the balance sheet, at their insured value according to Methodist Insurance plc. An adjustment is made every year where material as an unrealised gain or loss. It has been identified from the SORP (paragraph 18.3) that historic churches are unlikely to meet the heritage asset definition as the preservation of the buildings they occupy is unlikely to be the primary objective of the charity. Churches therefore do not qualify as a heritage asset and so cannot be included at nil cost.

PUTNEY METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

2 Critical accounting estimates and judgements

In the application of the Church'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. Judgement has been used in the allocation of support and governance costs to each of the three activities. The useful economic life fixtures, fittings and equipment has been estimated in order to determine the appropriate depreciation policy. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2021 £	2020 £	2020 £	2020 £
Donations and gifts	14,473	18,019	2,044	20,063
Grants receivable	37,321	-	-	-
	<u>51,794</u>	<u>18,019</u>	<u>2,044</u>	<u>20,063</u>
Donations and gifts				
Envelopes	10,940	9,860	-	9,860
Collections	209	5,192	-	5,192
Gift aid reclaimed	136	2,070	-	2,070
Local collections	1,532	897	-	897
Other donations	-	-	2,044	2,044
Other	1,656	-	-	-
	<u>14,473</u>	<u>18,019</u>	<u>2,044</u>	<u>20,063</u>

PUTNEY METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Investment Income	Unrestricted funds		Endowment funds		Restricted funds		Total		Unrestricted funds		Endowment funds		Restricted funds		Total	
	2021	£	2021	£	2021	£	2021	£	2020	£	2020	£	2020	£	2020	£
Rental income	85,208		-		-		85,208		84,202		-		-		84,202	
Other interest receivable	4,679		-		-		4,679		5,129		-		-		5,129	
Interest receivable	310		26		2		338		465		34		4		503	
	90,197		26		2		90,225		89,796		34		4		89,834	

PUTNEY METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

5 Other income

	Total	Unrestricted funds
	2021	2020
	£	£
Other income	-	1,552
	<u> </u>	<u> </u>

PUTNEY METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

6 Charitable activities

	Gifts to Ecumenical/Assessment charity 2021		services 2021		by circuit 2021		Total 2021	Gifts to Ecumenical/Assessment charity 2020		services 2020		by circuit 2020		Total 2020
	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Depreciation and impairment	-	13,241	-	13,241	-	13,241	-	-	12,946	-	12,946	-	12,946	12,946
Direct costs	3,136	395	55,529	59,060	55,529	59,060	9,057	9,057	1,363	41,121	51,541	41,121	51,541	51,541
Advertising	-	188	-	188	-	188	-	-	1,157	-	1,157	-	1,157	1,157
	3,136	13,824	55,529	72,489	55,529	72,489	9,057	9,057	15,466	41,121	65,644	41,121	65,644	65,644
Share of support costs (see note 9)	-	34,738	-	34,738	-	34,738	-	-	36,249	-	36,249	-	36,249	36,249
Share of governance costs (see note 9)	168	727	2,983	3,878	2,983	3,878	957	957	1,634	4,343	6,934	4,343	6,934	6,934
	3,304	49,289	58,512	111,105	58,512	111,105	10,014	10,014	53,349	45,464	108,827	45,464	108,827	108,827
Analysis by fund														
Unrestricted funds	3,304	49,289	58,512	111,105	58,512	111,105	7,970	7,970	53,349	45,464	106,783	45,464	106,783	106,783
Restricted funds	-	-	-	-	-	-	2,044	2,044	-	-	2,044	-	2,044	2,044

PUTNEY METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

7 Raising funds

	Unrestricted funds 2021 £	Endowment funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Endowment funds 2020 £	Total 2020 £
<u>Investment management</u>	566	8	574	587	8	595
	<u>566</u>	<u>8</u>	<u>574</u>	<u>587</u>	<u>8</u>	<u>595</u>

8 Description of charitable activities

Gifts to charity

Donations made to registered charities.

Ecumenical services

Donations made to further the charitable activities of the Methodist Church.

Assessment by circuit

Contributions to the local circuit for minister stipends and to assist in regional governance.

9 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Rates, Light & Heat	9,833	-	9,833	11,787	-	11,787
Insurance	6,349	-	6,349	6,377	-	6,377
Printing, Postage & Stationery	828	-	828	153	-	153
Repairs & Renewals	7,024	-	7,024	12,513	-	12,513
Cleaning	1,718	-	1,718	2,488	-	2,488
Sundry expenses	2,219	-	2,219	2,931	-	2,931
Administrative support	6,767	-	6,767	-	-	-
Audit fees	-	2,835	2,835	-	2,700	2,700
Accountancy	-	744	744	-	3,960	3,960
Legal and professional	-	299	299	-	274	274
	<u>34,738</u>	<u>3,878</u>	<u>38,616</u>	<u>36,249</u>	<u>6,934</u>	<u>43,183</u>
Analysed between						
Charitable activities	<u>34,738</u>	<u>3,878</u>	<u>38,616</u>	<u>36,249</u>	<u>6,934</u>	<u>43,183</u>

Accountancy costs includes payments to the independent examiners of £2,835 (2020- £2,700) for independent examination fees.

PUTNEY METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

10 Trustees

None of the trustees (or any persons connected with them) (2020- 0) received any remuneration during the year. No trustees (2020- 0) received reimbursement for any reason other than making purchases on the Church's behalf.

11 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total	-	-

12 Net gains/(losses) on investments

	Unrestricted funds 2021 £	Endowment funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Endowment funds 2020 £	Total 2020 £
Revaluation of investments	46,826	(77)	46,749	(10,479)	38	(10,441)

13 Tangible fixed assets

	Freehold land and buildings £	Fixtures, fittings and equipment £	Total £
Cost or valuation			
At 1 September 2020	5,892,126	143,026	6,035,152
Additions	-	37,180	37,180
At 31 August 2021	5,892,126	180,206	6,072,332
Depreciation and impairment			
At 1 September 2020	-	90,331	90,331
Depreciation charged in the year	-	13,241	13,241
At 31 August 2021	-	103,572	103,572
Carrying amount			
At 31 August 2021	5,892,126	76,634	5,968,760
At 31 August 2020	5,892,126	52,694	5,944,820

PUTNEY METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

13 Tangible fixed assets

(Continued)

Land and buildings with a carrying amount of £5,892,126 (2020 - £5,592,126) were revalued during the year by the Methodist Insurance. This is inline with the Methodist Church policy to recognise the value of land and buildings at the insured value, considered to be the fair value.

14 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 September 2020	287,394
Valuation changes	46,758
	<hr/>
At 31 August 2021	334,152
	<hr/>
Carrying amount	
At 31 August 2021	334,152
	<hr/>
At 31 August 2020	287,394
	<hr/>

15 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	1,656	4,074
Prepayments and accrued income	27,335	26,268
	<hr/>	<hr/>
	28,991	30,342
	<hr/>	<hr/>

16 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	6,000	-
Accruals and deferred income	12,079	11,200
	<hr/>	<hr/>
	18,079	11,200
	<hr/>	<hr/>

Deferred income of £6,250 (2020 - £6,250) has been recognised in relation to rent received in advance for the school and play area.

PUTNEY METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds		
	Balance at 1 September 2019	Net incoming resources	Balance at 1 September 2020	Net incoming resources	Balance at 31 August 2021
	£	£	£	£	£
Benevolent fund	653	4	657	2	659
	<u>653</u>	<u>4</u>	<u>657</u>	<u>2</u>	<u>659</u>

£659 (2020: £657) is held as a restricted fund in bank accounts as a benevolent fund in order to help those in need.

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 September 2019	Net incoming resources	Transfers	Balance at 1 September 2020	Net incoming resources	Transfers	Balance at 31 August 2021
	£	£	£	£	£	£	£
General property	36,125	65,231	(59,885)	41,471	69,037	(43,882)	66,626
Lion House lease	79,282	-	-	79,282	-	-	79,282
	<u>115,407</u>	<u>65,231</u>	<u>(59,885)</u>	<u>120,753</u>	<u>69,037</u>	<u>(43,882)</u>	<u>145,908</u>

The Property fund is a designated fund relating to the buildings at Gwendolen Avenue, which forms the Church and ancillary buildings used for letting to Lion House School, and income and expenditure relating to the same. Part of this fund is set aside to meet the ongoing obligations arising from the lease on Lion House School. Income from the fund is also used to meet the Assessment by circuit expense, which requires transfer to the unrestricted fund.

PUTNEY METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented

by:

	Unrestricted funds 2021 £	Endowment funds 2021 £	Restricted fund 2021 £	Total 2021 £	Unrestricted funds 2020 £	Endowment funds 2020 £	Restricted fund 2020 £	Total 2020 £
Tangible assets	5,968,760	-	-	5,968,760	5,940,750	4,070	-	5,944,820
Investments	329,501	3,992	659	334,152	283,324	4,070	-	287,394
Current assets/(liabilities)	128,059	-	-	128,059	121,011	-	657	121,668
	6,426,320	3,992	659	6,430,971	6,345,085	8,140	657	6,353,882

PUTNEY METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

20 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

No remuneration was paid to key management personnel during the year.

21 List of Trustees

Minister	Rev Geoffrey Farrar	
Deacon, ex officio member	Rev Kathy Johnson	Appointed - 9th June 2021
Senior Steward - Administration	Clive Norris	
Stewards	Jenny Drewe	
	Jane Fawcett	
	Solomon Lindsay	Resigned - 9th June 2021
	Sarah Mtonga	
	Geoff Waterhouse	
Council Secretary	Lisa Armstrong	Appointed - 9th June 2021
Church Council Secretary	Ruth Kelly	
Sunday School	Jane Fawcett	
Safeguarding	David Armstrong	
Church Meeting	Ben Waterhouse	
	Lesley Murray	
	Sandra Salmon	Resigned - 9th June 2021
	Orileke Mabo	Resigned - 9th June 2021
	Jessica Dalton	
	Bill Topping	Resigned - 9th June 2021