

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	For full list of Trustees, see note 28
Circuit Superintendent	Reverend G Farrar
Charity number	1134245
Principal address	13 Enmore Road London Middlesex United Kingdom SW15 6LL
Auditor	Azets Audit Services Trinity Court 34 West Street Sutton Surrey United Kingdom SM1 1SH
Bankers	Central Finance Board of the Methodist Church (CFB) 9 Bonhill Street London United Kingdom EC2A 4PE CAF Bank Limited (Charities Aid Foundation Bank) 25 Kings Hill Avenue West Malling Kent United Kingdom ME19 4JQ
Investment advisors	The Trustees for Methodist Church Purposes Central Buildings Oldham Street Manchester M1 1JQ United Kingdom

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

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RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees present their annual report and financial statements for the year ended 31 August 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Charities Act 2011 and the 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 2019.

Objectives and activities

The Richmond and Hounslow Circuit operates as part of the Methodist Church of Great Britain, whose mission is 'to respond to the gospel of God's love in Christ and to live out its discipleship in worship and mission'. The Circuit's specific calling is to facilitate and support the seven local Methodist Churches in its area as they respond to that call, through responsible stewardship and effective oversight of its resources physical and material. It seeks to enable those local congregations to increase the awareness of God's presence and celebrate God's love helping them to grow and learn through mutual support and care, enabling them to be a good neighbour to people in need and to challenge injustice.

The Circuit supports the provision of high-quality worship in all churches on Sundays and at other times, continuing to support preachers in the circuit, facilitating continuing development opportunities and actively encouraging all church members to pursue their vocations. It has continued with a bi-monthly newsletter keeping people throughout the Circuit in touch. Hounslow Methodist Church has, following lockdown, also continued to provide online services for those who are unable to attend church or who wish to review the service. Several churches organise mid-week prayer and Bible study groups.

The Circuit continues to promote the highest standards of Safeguarding for children and vulnerable adults. It is in the process of completing a renewal of all its training and DBS checks. It also continues to facilitate development opportunities and actively encourages all church members to pursue their vocations.

Rev'd Stephen Lewis from the URC was appointed as minister at Raleigh Road United Church in September, 2022. Deacon Richard Goldstraw was also stationed to the Circuit in April, 2023, working primarily at Barnes and Raleigh Road UC. Ms Carol Powers was appointed as a Lay Pastor at Chiswick Methodist Church from 1st September, with additional duties across the Circuit. Reverend Geoffrey Farrar began his second five year appointment from the same date.

Outreach work remains an integral part of Circuit life. Two churches were part of ecumenical projects working with the homeless. Café Together, at Hounslow, continues providing a free hot meal and a safe place one evening a week. Other community projects supported by the Circuit include toddler groups and coffee mornings.

Through its support of the employment of the Lay Pastor at Chiswick, the Circuit has enabled a fortnightly Stroke Club to start from February, 2023. Some weeks, this take the form of relaxing social times and at others there are different professionals giving talks. There is a membership of almost 30 stroke survivors with between 15 and 20 attending each session, some with their Carers. A Special Educational Needs family's support group has also started, where parents meet and there are plans for the children and siblings to be involved in the Cedars youth work in the future.

Cedars, a Circuit-supported children and youth programme at Chiswick continues to work with the local primary school and as many of the children attending have autism or other needs, a provision of a specific SEN group is being considered as well as a separate group for their siblings who are often young carers. The work with secondary school age children is being evaluated, and the best way to continue supporting them will be rolled out in the coming months.

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

During the year, the Men's Breakfast group continues to meet at Hounslow and there have been various mid-week activities for children and young people and some of our young people attended 3- Generate. Money has been raised for Christian Aid and Action for Children, with several concerts and carol singing in the community. A Gujarati Fellowship also now meets bi-monthly at Hounslow Methodist Church on Sunday afternoons.

The Circuit has actively supported a number of other initiatives across the Circuit through the provision of small grants and financial or personnel support. These have included new AV equipment and the provision of defibrillator at Hounslow.

The Circuit's Urban Mission based on the Aton Estate, Roehampton, continues. The deacon appointed by the Circuit has continued to deepen and strengthen relationships with people in the local community. Working closely with her Anglican colleagues, she has also promoted various initiatives, including starting a new parent and toddler group and working to make the church on Minstead Gardens a real community hub. She continues to support the worshipping community that meets on Tuesday mornings there, and support the numerous other groups that meet there, including a Warm Space and a café for older people.

The deacon is also co-lead of the Wandsworth Foodbank outlet that operates out of the church every Friday afternoon, offering not just food, but signposting to other help, and providing prayer and a listening ear. There has been a continual increase in the number of people needing this provision. Several members of the congregation from Putney Methodist Church also volunteer regularly.

In addition, the deacon has continued to be an active member of the governing board of the local Church of England primary school, providing faith support, and is governor for the SEND and maths and still spends one afternoon a week when possible, listening to the year 2 children read. She is an active member on various community groups, including the Roehampton Partnership and the Safer Neighbourhood Meetings, and has supported the new women's network organisation, SW15. The deacon has continued to lead worship in one of the local nursing homes, taking volunteers from local Methodist congregations with her.

Manses. The Circuit undertook two very significant projects to bring its manses up to the standards required. This required significant investment. The manse on Old Deer Park Gardens, Richmond, was refurbished throughout, including the renewal of its kitchen and bathroom, and a complete rewiring. The manse on Archway Street, Barnes, was extended and remodelled downstairs in order to make it more suitable for modern living and the requirements of the Circuit. In both cases, the Circuit took its environmental responsibility seriously and ensured that the buildings were properly insulated throughout. It is hoped that these buildings will now serve the Circuit for many decades to come. The total cost of this refurbishment was £727,487. Further investment and renewal of the Circuit's properties will be undertaken in the coming years.

Property. The Circuit has continued to maintain its properties as best as possible and support church trustees in the administration of their duties wherever possible. Whitton Methodist Church, which closed formally in 2022, was finally sold in February, 2023. The net proceeds of the sale, which totalled £817,094, were partly re-invested in the manses and will otherwise be used for the Circuit's charitable purposes.

Brentford Methodist Church ceased to meet in 2019. Since that time, the Circuit had actively explored working with a London homelessness charity to collaborate on a project that would have delivered intermediate housing for those transitioning from homelessness. Despite the best efforts of all involved, this unfortunately did not prove viable. The Circuit Meeting, therefore, agreed to proceed to the immediate sale of the site in February, 2023 and it is anticipated that the property will be sold shortly.

A lay Circuit Administrator continues to be employed to provide administrative services and support to the ministers and the circuit, in the development of planned projects, to aid ministry within the churches of the Circuit and to support the work of the Methodist Church as a whole, including keeping the Circuit informed of Connexional matters. She provides a circuit newsletter which keeps the churches in touch with each other.

The Richmond and Hounslow Methodist Circuit relies on a large amount of time and effort from volunteers, who offer a variety of services which are unpaid, including its dedicated local preachers. The charity would like to place on record its thanks to these volunteers without whose support it could not operate. It is impossible to estimate the value of these donated services.

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

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Achievements and performance

It is always difficult to measure the performance and outcomes of the work done by an organisation such as the Circuit. We would note the following examples of our work, though. In the last year, the Circuit has:

- continued to provide quality leadership in worship, both in person and online;
- through the Urban Mission based at Roehampton, supported numerous individuals facing extremely challenging life circumstances and personal crises;
- supported the provision of a new Stroke Club and explored new means of supporting SEN children and families at Chiswick;
- enabled the work of a number of other community groups by the provision of space and personnel across the Richmond & Hounslow area;
- renewed its staff team to ensure that we have the personnel resources to meet our charitable aims, including the appointment of a new deacon based at Barnes and Richmond;
- renewed two of its manses to bring them up to modern standards and requirements;
- successfully managed the disposal of one of its buildings, releasing new funds for mission and outreach; and
- engaged fully with the Methodist Church's commitment to Safeguarding and Equality, Diversity and Inclusion (EDI).

Along with all its other, ongoing, work, the Circuit has achieved its objectives for this year.

Financial review

Overall, the Balance Sheet of the Richmond and Hounslow Methodist Circuit is in a good position as a result of the sale of Twickenham Church and Whitton Church and acquisition of the Brentford Church.

Current assets still exceed current liabilities of the Circuit. There is approximately £283,151 (2022: £250,116) in liquid assets and this consists of cash held in current and deposit accounts.

The assets of the Methodist Circuit are spread between bank balances and investment funds held by the Central Finance Board. The assets held by the Central Finance Board are invested in line with the general principles of the Methodist Church of Great Britain.

Grants are made from time to time to member churches in the Richmond and Hounslow Methodist Circuit for essential and usually unexpected repairs or for special renovations.

The decrease in the value of investments during the year of £24,107 (2022 - £170,344) is a combination of grants paid, transfers out for Urban Mission and Pioneering Ministry purposes, support of personnel serving the circuit and manse refurbishment.

Risk Management

The Leadership Meeting regularly reviews the potential risks for the Richmond and Hounslow Methodist Circuit and has identified the following key issues:

- Declining membership leaving some churches with only a small number of ageing members.
- Declining membership means declining income;
- Declining interest of the CMTF due to decreased funds and market conditions;
- The possibility of equalisation of CMTF across Methodist congregations nationally;
- The possibility of a fall in the value of CMTF investments;
- Major damage to a manse not fully covered by insurance. This is not considered likely;
- Legal action. This is not considered likely.

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Reserves policy

The policy covers all funds held by the Circuit Meeting as charity trustees. Our reserves policy relates to our general funds which are available to be used for any or all of the purposes of the Richmond and Hounslow Methodist Circuit. The Circuit Model Trust Fund is also included for sake of clarity and openness and to show that the Circuit has a policy for the management of all its money and not just those which are defined as reserves.

The reserves policy for this fund is to hold at least six months expenditure in reserves; an amount of approximately £201,465 (which excludes the extensive refurbishment costs of the manses and churches). The General Fund, Circuit Surplus Fund and Designated fund combined total £218,984 (2022: £197,622). The balance in the Circuit Model Trust Fund is £647,762 (2022: £659,806). This fund is derived from the sales of churches and manses (less any levy on the proceeds) and used to be restricted by the Conference. The restriction is an internal regulation though the fund can be used for a variety of purposes.

Aims

The aim is twofold:

1. To secure and sustain the Circuit's viability and future;
2. To give reassurance to the general public that the Circuit intends to use all the money coming into its care for the purposes of the charity.

Mission Policy

The Vision of the Circuit in 2022-23 was to be "a beacon of Christian ministry and witness, actively supporting a flourishing network of churches, worshipping and serving in their own contexts".

Financial Plans

A budget is prepared annually and draft assessments prepared to provide balanced income and expenditure for the year. This is discussed at a meeting of Church Treasurers and the final budget presented for approval to the Circuit Meeting.

A designated fund of £58,495 is held to enable urgent and planned major repairs and refurbishment to be carried out immediately by the Manses Committee, in agreement with the Leadership Team. To provide for costs relating to the management of Brentford Church, training and related grants to churches. This is reviewed annually. We hope to maintain the manses in a suitable condition as per Methodist Church guidelines. Major expenditure is covered from interest or capital from the Circuit Model Trust Fund if approval is received from the Central Finance Board of the Methodist Church.

The Circuit must ensure that it has sufficient resources to meet its financial obligations to support ministers, administer the Circuit and maintain manses. The total expenses (restricted and unrestricted) for 2022-23 amounted to approximately £1,138,018 (2022: £422,926). Most of this is supported from the contribution of churches within the Circuit, investment income including rental income, grants and donations. With the sale of Whitton Church completed, the Circuit carried out major refurbishment for two of the manses.

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

Structure, governance and management

The charity was established by a charitable trust deed on 10th February 2010. The charity's governing documents are the Deed of Union (1932) and the Methodist Church Act (1976).

The trust is constituted under the standing orders of the Methodist Church nos. 500-575. The standing orders set out the way in which trustees are appointed.

The trustees who served the charity during the year are listed in the notes to these accounts.

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The managing trustees at the date of this report are the members of the Circuit Meeting of the Richmond and Hounslow Methodist Circuit. These comprise all Circuit Officers (stewards, treasurer, secretaries, superintendent minister, ministers) and representatives from each of the churches. As such, the trustees receive no formal training, but decision making is not vested in a small number of people.

The Richmond and Hounslow Methodist Circuit is an association of churches grouped together in a geographical area. Ordained Ministers and Presbyters are appointed to serve the circuit. The Superintendent Minister is responsible for the work of all the churches in the circuit.

Plans for the future

The Trustees will continue to pursue the charitable purposes of the Circuit in the coming years. It will do this through the regular reviewing of its activities and mission plans. It will continue to manage its resources, both physical and material, in the best way possible to further its aims. This will include the effective disposal of one of its buildings, at Brentford, and the effective use of the funds released for mission and outreach. It will support initiatives across the Circuit to further these aims, with the provision of people and resources as appropriate.

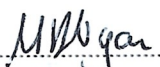
Auditor

In accordance with the charity's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the charity will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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


Mrs M Logan
Trustee
Dated: 26/2/24


Reverend G Farrar
Trustee
Dated: 26th February, 2024

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

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.

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

Opinion

We have audited the financial statements of Richmond & Hounslow Methodist Church Circuit (the 'charity') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

This report is made solely to the charity's trustees, as a body, in accordance with part section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Sam Thomas (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

29 February 2024
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Chartered Accountants
Statutory Auditor

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

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £
<u>Income and endowments from:</u>									
Donations	2	952	-	-	952	898	-	-	898
Charitable activities	4	131,338	-	20,000	151,338	136,452	-	20,000	156,452
Investments	5	7,272	-	40,362	47,634	24,671	-	21,056	45,727
Other income	6	46,865	-	-	46,865	56,289	-	18,800	75,089
Total income		186,427	-	60,362	246,789	218,310	-	59,856	278,166
<u>Expenditure on:</u>									
Raising funds	7	-	-	2,018	2,018	-	-	2,503	2,503
Charitable activities	8	980,469	-	155,531	1,136,000	271,529	-	130,094	401,623
Other	12	-	-	-	-	-	-	18,800	18,800
Total resources expended		980,469	-	157,549	1,138,018	271,529	-	151,397	422,926
Net gains/(losses) on investments	13	-	-	(910,679)	(910,679)	-	-	116,079	116,079
Net outgoing resources before transfers		(794,042)	-	(1,007,866)	(1,801,908)	(53,219)	-	24,538	(28,681)

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

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

FOR THE YEAR ENDED 31 AUGUST 2023

Net outgoing resources before transfers	(794,042)	-	(1,007,866)	(1,801,908)	(53,219)	-	24,538	(28,681)
Gross transfers between funds	815,875	(574)	(815,301)	-	42,651	14,818	(57,469)	-
Net incoming/(outgoing) resources	21,833	(574)	(1,823,167)	(1,801,908)	(10,568)	14,818	(32,931)	(28,681)
Other recognised gains and losses								
Revaluation of tangible fixed assets	-	-	(160,000)	(160,000)	-	-	333,000	333,000
Net movement in funds	21,833	(574)	(1,983,167)	(1,961,908)	(10,568)	14,818	300,069	304,319
Fund balances at 1 September 2022	135,011	59,069	10,528,487	10,722,567	145,579	44,251	10,228,418	10,418,248
Fund balances at 31 August 2023	156,844	58,495	8,545,320	8,760,659	135,011	59,069	10,528,487	10,722,567

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

All income and expenditure derive from continuing activities.

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	15	6,305,000		6,465,000	
Investment property	17	1,480,000		3,200,094	
Investments	16	684,109		708,216	
		<u>8,469,109</u>		<u>10,373,310</u>	
Current assets					
Debtors	18	164,955		184,005	
Cash at bank and in hand		283,151		250,116	
		<u>448,106</u>		<u>434,121</u>	
Creditors: amounts falling due within one year	19	(156,556)		(84,864)	
Net current assets			291,550		349,257
Total assets less current liabilities			<u>8,760,659</u>		<u>10,722,567</u>
Income funds					
General restricted funds		2,240,320		4,063,487	
Revaluation reserve		6,305,000		6,465,000	
		<u>8,545,320</u>		<u>10,528,487</u>	
Endowment funds - designated	23	58,495		59,069	
Unrestricted funds		156,844		135,011	
		<u>8,760,659</u>		<u>10,722,567</u>	

The financial statements were approved by the Trustees on

26th February, 2024


Mrs M Logan
Trustee


Reverend G Farrar
Trustee

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash absorbed by operations	26		(831,693)		(232,420)
Investing activities					
Proceeds from disposal of investment property		817,094		-	
Proceeds from disposal of other investments		-		152,008	
Investment income received		47,634		44,048	
Net cash generated from investing activities			864,728		196,056
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			33,035		(36,364)
Cash and cash equivalents at beginning of year			250,116		286,480
Cash and cash equivalents at end of year			283,151		250,116

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

Charity information

Richmond & Hounslow Methodist Church Circuit is an association of Churches grouped together in a geographical area. The charity provides administration services and support for each of the Churches within the circuit. In addition, the charity is also responsible for helping the wider community, which it does through a variety of donations to various charities and good causes. The governing documents are the Deed of Union (1932) and the Methodist Church Act (1976).

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. 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 charity 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 charity.

1.4 Incoming resources

Income is recognised when the charity 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 charity 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 recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from member church assessments is deferred when paid in advance by the member churches, as these assessments relate to specific time periods of services provided.

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following headings:

- Costs of raising funds comprise the costs from investments.
- Expenditure on charitable activities is all categorised within Circuit Support as this is deemed to be the only activity of the charity. Support and governance costs have been split on the proportion of direct costs incurred.
- Other expenditure.

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.

At the present time, four properties are used as Manses. All properties are owned by the Trustees for Methodist Church Purposes as Custodian Trustees but since the Charity has control of them, they are included in these financial statements.

The properties are stated at a valuation by the Managing Trustees, in accordance with the Charities SORP (FRS 102). The valuation is reflected in the properties revaluation fund since none of the properties has a known original cost. Revaluations occur at three year intervals, unless there is evidence of a material change in the value of the item. A revaluation of the properties was carried out by Sanderson Weatherall LLP on 31st August 2023.

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 the statement of financial activities.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date.

Revaluations occur at three year intervals, unless there is evidence of a material change in the value of the item. A revaluation of the properties was carried out by Sanderson Weatherall LLP on 31st August 2023.

The surplus or deficit on revaluation is recognised in profit or loss.

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.8 Impairment of fixed assets

At each reporting end date, the charity 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).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/ (expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

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.

1.10 Financial instruments

The charity 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 charity's balance sheet when the charity 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.

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

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 charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the Statement of Financial Activities.

2 Donations

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Donations and gifts	952	898

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

3 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The key estimates in the year include the valuation of the investment properties at the year end and therefore the revaluation amount.

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.

Critical judgements

In the directors' opinion there are no critical judgements, apart from those involving estimates (as detailed below), that they have made in applying the accounting policies and that have had significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

Valuation of properties and investment properties

Properties are professionally valued every three years. In the two years between, the Trustees use statistics from the UK land registry office to identify how the value of similar properties in the local area have changed over the past year. The brought forward values are then adjusted to reflect the change as either a gain or an impairment. Uncertainties relate to changes in the condition of the properties since the previous professional valuation and that the average percentage change of property values in local boroughs is used.

4 Charitable activities

	2023	2022
	£	£
Assessments	131,338	136,452
Performance related grants	20,000	20,000
	<hr/>	<hr/>
	151,338	156,452
	<hr/>	<hr/>
Analysis by fund		
Unrestricted funds	131,338	136,452
Restricted funds	20,000	20,000
	<hr/>	<hr/>
	151,338	156,452
	<hr/>	<hr/>

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

5 Investments	Unrestricted funds	2023 £	Restricted funds	2023 £	Total 2023 £	Unrestricted funds	2022 £	Restricted funds	2022 £	Total 2022 £
Rental income		-	12,000	12,000	12,000	23,836	12,000	12,000	12,000	35,836
Income from unlisted investments		-	8,285	8,285	8,285	-	6,637	6,637	6,637	6,637
Interest receivable		7,272	20,077	27,349	27,349	835	2,419	2,419	2,419	3,254
		7,272	40,362	47,634	47,634	24,671	21,056	21,056	21,056	45,727

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

6 Other income

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2023 £	2022 £	2022 £	2022 £
Other income	46,865	46,299	-	46,299
Grants received on behalf of churches	-	-	18,800	18,800
Closed churches	-	9,990	-	9,990
	<u>46,865</u>	<u>56,289</u>	<u>18,800</u>	<u>75,089</u>

7 Raising funds

	Restricted funds	Restricted funds
	2023 £	2022 £
<u>Investment management</u>	2,018	2,503
	<u>2,018</u>	<u>2,503</u>

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

8 Charitable activities

	Circuit Support 2023 £	Circuit Support 2022 £
Staff costs	189,064	203,180
Ministers - other costs	35,386	23,582
District and connexional	77,591	86,783
Manses	762,017	26,933
Circuit, preaching, training and mission	8,286	8,303
Lettings expenditure	2,110	7,060
Closed church expenses	16,702	13,009
Church grants	28,530	20,000
Sundry expenses	1,015	609
	<u>1,120,701</u>	<u>389,459</u>
Share of support costs (see note 9)	1,619	1,652
Share of governance costs (see note 9)	13,680	10,512
	<u>1,136,000</u>	<u>401,623</u>
Analysis by fund		
Unrestricted funds	980,469	271,529
Restricted funds	155,531	130,094
	<u>1,136,000</u>	<u>401,623</u>

9 Support costs

	Support costs £	Governance costs £	2023 £	Support costs £	Governance costs £	2022 £
Postage and stationery	698	-	698	689	-	689
Sundry expenses	860	-	860	848	-	848
Bank charges	61	-	61	115	-	115
Audit fees	-	9,000	9,000	-	7,492	7,492
Legal and professional	-	4,680	4,680	-	3,020	3,020
	<u>1,619</u>	<u>13,680</u>	<u>15,299</u>	<u>1,652</u>	<u>10,512</u>	<u>12,164</u>
Analysed between						
Charitable activities	<u>1,619</u>	<u>13,680</u>	<u>15,299</u>	<u>1,652</u>	<u>10,512</u>	<u>12,164</u>

Governance costs includes payments to the auditors of £9,000 (2022: £8,010).

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

10 Trustees

During the year, Adam Nyawo received stipends and allowances of £27,104 (2022: £25,995), Katherine Johnson of £27,104 (2022: £25,995), Claudia Lupi of £nil (2022: £26,395), Geoffrey Farrar of £29,797 (2022: £28,977), Richard Goldstraw of £11,220 (2022: £nil).

Margaret Logan was paid £12,028 (2022: £11,138) for services rendered as Circuit Administrator. Carol Powers was paid £25,916 (2022: £18,230) as the Lay Pastor.

None of the other Trustees, or persons connected with them, received any remuneration or other benefits from the Circuit or any connected organisation as a result of their office during the year ended 31st August 2023. The circuit minutes secretary and the Treasurer were paid expenses (validated against receipts) for amounts spent as a result of them fulfilling their duties, as well as ministers.

11 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	7	7
Employment costs	2023	2022
	£	£
Wages and salaries	150,583	160,707
Social security costs	12,273	13,051
Other pension costs	26,208	29,422
	189,064	203,180

There were no employees whose annual remuneration was more than £60,000.

12 Other

	Total	Restricted funds
	2023	2022
	£	£
Grants paid to churches which were received on their behalf	-	18,800
	-	18,800

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

13 Net gains/(losses) on investments

	Restricted funds	Restricted funds
	2023 £	2022 £
Revaluation of investments	(7,679)	(20,015)
Revaluation of investment properties	(903,000)	136,094
	<u>(910,679)</u>	<u>116,079</u>

14 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

15 Tangible fixed assets

	Land and buildings £
Cost or valuation	
At 1 September 2022	6,465,000
Revaluation	(160,000)
	<u>6,305,000</u>
At 31 August 2023	<u>6,305,000</u>
Carrying amount	
At 31 August 2023	<u>6,305,000</u>
	<u>6,465,000</u>
At 31 August 2022	<u>6,465,000</u>

Land and buildings with a carrying amount of £6,305,000 were revalued at 31 August 2023 by Sanderson Weatherall LLP, independent valuers not connected with the charity on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

The revaluation this year has given a decrease in value of £160,000 (2022 - £333,000 increase) with a total revaluation reserve of £6,305,000 as the historical cost value has been unknown.

The value of £6,305,000 (2022: £6,465,000) is split between Land values of £4,413,500 and building values of £1,891,500.

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

16 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 September 2022	708,216
Valuation changes	(7,678)
Income	28,362
Charges and Transfers	(44,791)
	<hr/>
At 31 August 2023	684,109
	<hr/>
Carrying amount	
At 31 August 2023	684,109
	<hr/> <hr/>
At 31 August 2022	708,216
	<hr/> <hr/>

17 Investment property

	2023 £
Fair value	
At 1 September 2022	3,200,094
Disposals	(817,094)
Net gains or losses through fair value adjustments	(903,000)
	<hr/>
At 31 August 2023	1,480,000
	<hr/> <hr/>

Investment property has been valued at £1,480,000, being the circuit manse held at the year end which are not being used for the purposes of the circuit and the Brentford Church. During the financial year, Whitton Church was sold. Additionally, Brentford Church is expected to sell after the end of the year, with the Church being valued at the market rate less district levy, inline with the Methodist church policies. The fair value of the manse has been arrived at on the basis of a valuation carried out at 31 August 2023 by Sanderson Weatherall LLP, who are not connected with the charity and then updated to reflect property valuation trends in the local area.

The carrying value of land included in investment properties comprises:

	2023 £	2022 £
Freehold	1,065,600	2,304,068
	<hr/>	<hr/>

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

18 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	223	-
Other debtors	100,117	82,084
Prepayments and accrued income	64,614	101,920
	<u>164,954</u>	<u>184,004</u>

19 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Deferred income	20	67,757	75,220
Trade creditors		5,904	-
Other creditors		36,519	-
Accruals and deferred income		46,376	9,644
		<u>156,556</u>	<u>84,864</u>

20 Deferred income

	2023 £	2022 £
Arising from assessments and grants	<u>67,757</u>	<u>75,220</u>

Deferred income is included in the financial statements as follows:

Urban mission grant deferred	16,000
Pioneering Ministry paid in advance	26,000
General Fund assessments paid by Churches	19,257
Lay Paster paid in advance	<u>6,500</u>
Total deferred income as at 31st August 2023	67,757

21 Retirement benefit schemes

Defined contribution schemes

The charity contributions to superannuation pensions was £24,749 (2022: £27,786). This is 26.9% of the basic stipend, and is a percentage which is agreed annually at the Methodist conference. The pension is a connexional scheme and these contributions are the only obligation of the Richmond and Hounslow Methodist Church Circuit.

The Circuit provides a money purchase pension arrangement with The Peoples Pension for lay workers, the Circuit contributes 6% of basic salary to the scheme. This year £1,459 (2022: £1,636) was contributed. The charge to the statement of financial activities in respect of defined contribution schemes was £26,208 (2022: £29,422).

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

22 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:

A Designated Manse Fund of £20,000 was created in 2013 to enable urgent major repairs and refurbishment to be carried out immediately by the Manses Committee in agreement with the Leadership Team. This figure is reviewed annually and decreased in the year by £574. A total of £3,960 and £1,742 were transferred out for works relating to Whitton and Brentford Churches respectively. For support costs and manse refurbishment £5,128 was transferred in.

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

23 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:

	Balance at 1 September 2021	Income resources	Movement in funds			Balance at 1 September 2022	Income resources	Movement in funds			Balance at 31 August 2023
			£	£	£			£	£	£	
Circuit Model											
Trust Fund	828,119	8,247	(75,719)	(82,666)	(18,175)	659,806	26,887	(71,146)	38,728	(6,513)	647,762
F Alfred Lass											
Bequest	2,555	62	(7)	(55)	(161)	2,394	71	(7)	(64)	(102)	2,293
Circuit Surplus											
Fund	3,535	17	(10)	-	-	3,542	114	(10)	-	-	3,645
Investment											
Properties											
Revaluation Fund	4,964,000	-	-	(1,900,000)	136,094	3,200,094	-	-	(817,094)	(903,000)	1,480,000
Fixed Asset											
Revaluation Fund	4,232,000	-	-	1,900,000	333,000	6,465,000	-	-	-	(160,000)	6,305,000
Urban Mission	2,538	32,001	(56,735)	26,900	-	4,704	32,000	(64,766)	30,792	-	2,730
3Generate	68	-	(1)	(67)	-	-	-	-	-	-	-
Loan to Chiswick											
Church	3,000	-	-	(3,000)	-	-	-	-	-	-	-
Brentford Church											
TMCP funds	44,351	731	(126)	(802)	(1,680)	42,474	1,291	(121)	(12,171)	(1,064)	30,409
Grants paid in											
advance	-	-	-	-	-	-	-	-	48,500	-	48,500
Pioneering											
Ministry fund	-	-	-	-	-	-	-	(21,500)	23,000	-	1,500
Owing to UF for											
manse repair	26,900	-	-	(26,900)	-	-	-	-	(36,519)	-	(36,519)

FOR THE YEAR ENDED 31 AUGUST 2023

The Urban Mission fund was in surplus at the end of the year by £2,730 (2022: £4,704). The fund is for the provision of a Minister for the wider community at the Alton Estates. The wider circuit will continue to fund the mission and the deficit.

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

24 Analysis of net assets between funds	Unrestricted Funds 2023	Designated Funds 2023	Restricted Funds 2023	Total 2023	Unrestricted Funds 2022	Designated Funds 2022	Restricted Funds 2022	Total 2022
	£	£	£	£	£	£	as restated	as restated
Fund balances at 31 August 2023 are represented by:								
Tangible assets	-	-	6,305,000	6,305,000	-	-	6,465,000	6,465,000
Investment properties	-	-	1,480,000	1,480,000	-	-	3,200,094	3,200,094
Investments	-	-	684,109	684,109	-	-	708,216	708,216
Current assets/(liabilities)	187,636	58,495	45,419	291,550	135,011	59,069	155,177	349,257
	187,636	58,495	8,514,528	8,760,659	135,011	59,069	10,528,487	10,722,567

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

25 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

26 Cash generated from operations	2023 £	2022 £
(Deficit)/surplus for the year	(1,801,908)	(28,681)
Adjustments for:		
Investment income recognised in statement of financial activities	(31,206)	(45,727)
Fair value gains and losses on investment properties	903,000	(136,094)
Fair value gains and losses on investments	7,679	20,015
Movements in working capital:		
Decrease/(increase) in debtors	19,050	(12,533)
Increase in creditors	79,155	632
(Decrease) in deferred income	(7,463)	(30,032)
Cash absorbed by operations	(831,693)	(232,420)

27 Analysis of changes in net funds

The charity had no debt during the year.

RICHMOND & HOUNSLOW METHODIST CHURCH CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

28 List of Trustees

Mrs Jean Butcher	
Mrs Jessica Dalton	Appointed 1 September 2023
Rev Geoffrey Farrar	
Mrs Jean Flann	
Mrs Lyneth Friday	
Deacon Richard Goldstraw	Appointed 23 April 2023
Mr Ian Haddow	
Miss Valerie Hearn	
Ms Dinnie Heroe	Resigned 13 November 2023 (Deceased)
Mr Alan Housdon	
Mrs Vivien Isaac	
Rev Heflin Jani	Appointed 1 September 2022
Deacon Kathy Johnson	
Mr Bismarck Laryea	
Mr Andrew Logan	
Mr John Logan	
Mrs Margaret Logan	
Mr Stephen Ludlow	
Rev Barbara McIntivey	Resigned 31 August 2023
Mrs Jane McMahon	
Mrs Frances Moorhouse	
Dr Margaret Moore	
Rev Nicola Morrison	
Mrs Rajini Muthukumar	
Mr Clive Norris	Resigned 13 August 2023
Rev Adam Nyawo	
Mr Charles Oppong-Akuoko	
Mrs Mary Patterson	
Mrs Susan Penney	
Ms Carol Powers	
Mr Charles Rajkumar	
Mrs Gill Sparkes	
Mr Moses Tandayi	
Miss Winifred Thompson	
Mr Brendan Wasmuth	
Mr Geoffrey Waterhouse	
Ms Sarah Weeks	Appointed 11 September 2022
Ms Janet Wilson	