

2023

The Methodist Church - Hackney and Stoke
Newington Circuit
(London District – Circuit No 35/10)
Charity Registration Number 1134389
Accounts for the year ended 31 August 2023

THE METHODIST CHURCH IN HACKNEY AND STOKE NEWINGTON

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THE METHODIST CHURCH IN HACKNEY AND STOKE NEWINGTON

Reference and Administrative Details

Names and addresses

The address of the registered office for the Hackney and Stoke Newington Circuit for the purposes of the Methodist Church Act 1976 and any other legislation is:

The Methodist Church in Hackney and Stoke Newington
Dalston Methodist Church
11-13 Richmond Road
London E8 3HY
Tel: 07736 972202
Web: www.hackneymethodist.org

Custodian Trustees:

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

Senior Management Team:

Rev Andrew Letby (Until 31 August 2023)
Rev Paulo Bessa Da Silva

Investment Managers:

Central Finance Board of the Methodist Church
9 Bonhill Street
London EC2A 4PE

Trustees for the Methodist Connexional Funds (registered)
9 Bonhill Street
London EC2A 4PE

Bankers:

CAF Bank
25 Kings Hill Avenue
ME19 4JQ

HSBC PLC (for Lunch Club)
1-3 Bishopsgate
London
EC2N 3AQ

Independent Auditor:

Clay Ratnage Strevens & Hills
Chartered Accountants & Statutory Auditors
Suite D, The Business Centre
Faringdon Avenue
Romford, Essex RM3 8EN

Solicitors:

Anthony Collins Solicitors
134 Edmund Street
Birmingham
B3 2ES

THE METHODIST CHURCH IN HACKNEY AND STOKE NEWINGTON

Trustees' Report for the year ended 31 August 2023

The Trustees present their report and the examined accounts of the Circuit for the year ended 31 August 2023. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP 2019) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and accounts of the Circuit.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Circuit'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 2019).

Governance

The governing body of the Methodist Church is the Conference, which meets annually. The authority under which the Conference acts is given by the Methodist Church Act 1976.

We are governed by the Methodist Churches Constitutional Practice and Discipline and all Charity Law of the United Kingdom.

The Church is governed by the Methodist Church Act 1976, the deed of Union and the Model Trusts of the Methodist Church. The purposes of the Methodist Church are and shall be deemed to have been since the date of union the advancement of: (a) the Christian faith in accordance with the doctrinal standards and the discipline of the Methodist Church (b) any charitable purpose for the time being of any Connexional, District, Circuit, local or other organisation of the Methodist Church (c) any charitable purpose for the time being of any society or institution or subsidiary or ancillary to the Methodist Church; (d) any purpose for the time being of any charity being a charity subsidiary or ancillary to the Methodist Church. In setting our objectives and planning our activities, the Circuit has given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing our objectives as set out above.

The Methodist Church in Hackney and Stoke Newington is part of the London District of the Methodist Church, and is a registered charity, number 1134389.

Full Name of Charity: Hackney Methodist Circuit

Registration Charity Number: 1134389

Date of Registration: 18 February 2010

Main Communication Address: The Methodist Church in Hackney and Stoke Newington
Dalston Methodist Church
11-13 Richmond Road
London E8 3HY

THE METHODIST CHURCH IN HACKNEY AND STOKE NEWINGTON

Trustees' Report for the year ended 31 August 2023 (continued)

Trustees

The full list of Trustees who served during the year and up to date of signature of the accounts were as follows:

Trustees who joined during 22/23 are shown with an asterix (*) and those who left during the year with (**). Trustees who have joined during 2023/24 are denoted with three asterisks (***)

Rev Dr Paulo Bessa Da Silva	Kwabena Okyere Darko*
Rev Dr Jongikaya Zihle	Aminata Gborie*
Rev John Pamhare Sakutombo	Tamba Gborie*
Rev Andrew Letby**	Mackenzie Carty Macdonald Greer
Edris Luncinda Russell ***	Eunice Cordelia Whyte
Ebun Esther Abebi Adekunle	Catherine Hogan
Afua Adofo*	Rudolph Homer
Alexander Amarteifio	Clord Dyer
Gloria Amarteifio	Laura Dyer
Amanda Ansah*	Mary Elvira Campbell
Lucinda Ansah	Rachael Icilda Lynch
Kwaku Oppong Anyemedu	Rita Kusiwaah Dapaah*
Eric Olayinka Ayoola*	Alexandra Weekes-Aggrey*
Mandy Noreen Baafi	Susan Jane Millman
Janette Baxter*	Charlotte Morgan
Valentine Baxter	Cora Woolcock
Rita Donyina-Ameyaw*	Ernell Diana Watson
Joyce Ampofo Borley	Mathilda Small-Byam

Method to recruit new Trustees

The members of the Circuit Meeting are the trustees of the Hackney and Stoke Newington Methodist Circuit. The constitution for the Circuit Meeting was agreed at the Circuit Meeting on 15th March 2022. Most of the members of Circuit Meeting are trustees due to the role they play within the church or circuit (for which they are nominated or volunteer). Further, each Church Council nominates church representatives to the Circuit Meeting at their Annual Church Meeting.

Objective and purpose

The calling of the Hackney and Stoke Newington Methodist Circuit is to respond to the gospel of God's love in Christ and to live out its discipleship in worship and mission. This is expressed through Worship, Learning and Caring, Evangelism, and Service. The Circuit is committed to use its resources in a clearly focussed and intentional way to ensure an effective response to the needs of our congregations and the wider community.

Activities

Christian faith-based activities in accordance with the Methodist doctrine. Regular worship takes place in 6 church buildings, as well as on Zoom. The Listening Place offers a safe, warm space at Stoke Newington Churches. A Lunch Club operates from Clapton Park primarily for elderly people from the Caribbean. The charity supports a Youth Club and Food bank at Clapton Park.

THE METHODIST CHURCH IN HACKNEY AND STOKE NEWINGTON

Trustees' Report for the year ended 31 August 2023 (continued)

Organisational structure

The Circuit includes responsibility for the Methodist Churches at Dalston, Clapton (Clapton Methodist Church operates from 2 sites on Downs Road and Chatsworth Road, Clapton Park), Hackney Mare Street and Stoke Newington (Stoke Newington Methodist Church operates from 2 sites on Green Lanes and Stoke Newington High Street). The Circuit has responsibility for the finance and property of Clapton Park Methodist Church.

Internal Organisations

The Circuit includes two internal organisations: the Chatsworth Road Lunch Club project and a Methodist Women in Britain group (which has not met since Easter 2023). The Chatsworth Road Lunch Club project has its own management committee, chaired by Rev Dr Paulo Bessa Da Silva, under the umbrella of the Circuit Meeting. The Chatsworth Road Lunch Club has its own HSBC account. Methodist Women in Britain have no separate bank nor cash accounts. All income raised and spent in connection with this group is recorded by the Circuit and transacted through the Circuit bank account.

In addition, the property and finance of Clapton Park Methodist Church has been the responsibility of the Circuit since 1st September 2021.

Staff

The Superintendent Minister and Chair of the Managing Trustees is Rev Andrew Letby. Rev Dr Paulo Bessa da Silva is also stationed to the Circuit. Together they have pastoral charge of the 4 Churches in the Circuit.

Helen Cornick is employed as a part-time (30 hours per week) Circuit Administrator and PA to the Superintendent. Velma Bramble is employed part-time as the Administrator/Co-ordinator of the Lunch Club project at Clapton Park. The Circuit have appointed a new Circuit Pastoral and Community Outreach Worker to begin in September 2023. The Circuit 'buys in' payroll and finance support from the Methodist Church in Tower Hamlets.

Achievements and performance

There are 6 active and 2 inactive Local Preachers in the Circuit, and 2 members were given a 'note to preach'. In addition there is a Minister in other appointment who takes some services, and we have some visiting preachers from other circuits and denominations. Circuit Stewards were Sue Millman, Kwaku Anyemedu, Catherine Hogan, Eric Ayoola and Eunice Whyte.

A full programme of Christian education, social activity and mission outreach work continued throughout the year with some activities continuing online. The Listening Place at Stoke Newington High Street and Green Lanes offers drop-in and signposting for vulnerable people.

Property

Clapton Park (Chatsworth Road), Dalston Church, Hackney Mare Street and Stoke Newington (Green Lanes and High Street) rent out rooms using the standard Methodist License. The manse in Richmond Road was let out on a managed tenancy through Courtney's Estate Agents until 19th June 2023. Clapton Park also have tenants in a flat.

From October 2022, there is no longer a fulltime operations manager at Stoke Newington (High Street and Green Lanes) Churches.

Investments

The investment of surplus funds is operated via the Central Finance Board (CFB) of the Methodist Church. CFB aims to provide high quality investment service seeking above average returns for long term investors, whilst ensuring that the securities held by all its funds are in line with the ethical policy of the Methodist Church. The Circuit has its funds in a deposit account with CFB. The Restricted Fund which is mainly funds from sales of properties is managed by Trustees for Methodist Purposes (TMCP). These funds are also invested with CFB.

THE METHODIST CHURCH IN HACKNEY AND STOKE NEWINGTON

Trustees' Report for the year ended 31 August 2023 (continued)

Public Benefit Requirement

The Trustees have had due regard to the guidance published by the Charities Commission in compliance with its duties under section 4 of the Charities Act 2011.

This guidance sets out two key principles:

1. The organisation must have an identifiable benefit.
2. The benefit must be to the public or a section of the public.

The Church exists to:

- increase awareness of God's presence and to celebrate God's love;
- help people to learn and grow as Christians, through mutual support and care; and
- be a good neighbour to people in need and challenge injustice.

The Trustees consider that for these reasons the charity meets these public benefit requirements.

Financial Review

Circuit ministry is funded through the assessment contributions from churches. This is supplemented by rent received from the Circuit property in Richmond Road (a manse), and rental money from Chatsworth Road, Clapton Park. and a grant of £10,000 towards the cost of the Circuit Administrator received in September 2022.

The various properties are funded from their income on a day-to-day basis.

The value of the Circuit funds (including land and buildings) as at 31 August 2023 was £4,899,021 which is an increase of £29,712 from previous year.

A minister stationed in another Circuit resides in Hackney and Stoke Newington Manse. Deacon Belinda Letby is a minister in the West London Mission Circuit. The West London Mission Circuit make payments to the Circuit for rent and in respect of Council Tax, telephone and broadband. The amount received in the year was £8,366.

Trustees' interests

The Ministers who are Trustees of the Circuit are paid a stipend and are given a manse for the Ministers and their family to live. The Council Tax is paid for by the Circuit and also an official telephone line with broadband facilities to enable them to carry out their service as Ministers. These arrangements are practiced throughout the Connexion.

Payments were made to Mrs Eunice Whyte (total £95) in respect of stewarding duties, Rev John Sakutombo received £325 as preaching fees (practiced throughout the Connexion), Rev John Richey received a leaving gift of £350 and Rev Andrew Letby received a leaving gift of £600.

Risk Management

The Circuit has reviewed its risk policies and is preparing a Risk Register highlighting the various risks facing the Circuit, the impact and the likelihood of them happening. The main headings under which these risks have been categorised are:

- Trustees' Responsibilities
- Membership and Mission
- Resources, People and Property
- Financial
- Legal

These risks are reviewed regularly to ensure effectiveness.

THE METHODIST CHURCH IN HACKNEY AND STOKE NEWINGTON

Trustees' Report for the year ended 31 August 2023 (continued)

Reserves Policy

The primary purposes of the Circuit are:

- (i) to support the presbyteral ministers in their responsibilities to preach, offer a sacramental ministry and provide pastoral care to the congregations of the six Methodist Churches and to the wider community within the borough of Hackney and Stoke Newington.
- (ii) to support the work of the lay employees, Circuit officers and Church members in their various responsibilities in relation to the Circuit's overall mission.

The reserves policy in connection with this purpose is to maintain sufficient funds to ensure the payment of stipends, other allowances, manse costs and contributions to the District assessment for two ministers for six months.

The unrestricted funds, excluding freehold land and buildings, of £237,644 are held for the purpose of the Circuit.

Plans for the future

A regular pattern of worship is happening in churches and there is also a weekly service broadcast via Zoom. Congregations are smaller than before the pandemic, reflecting the experience of many churches across the country. There continues to be a Circuit link with Hackney Citizens and during this year a service was held at Mare Street with contributions from Hackney Citizens. The Listening Place in Stoke Newington is flourishing and at the end of the year a new Churches Together in Hackney group was started.

The superintendent minister left the Circuit in July 2023 and was not replaced, so from September 2023, Rev Dr Paulo Bessa Da Silva will be the superintendent minister, and will be the only minister in the Circuit receiving a stipend. A new Circuit Pastoral and Community Outreach Worker has been appointed to start in September 2023. The Circuit are hopeful that this role will increase its effectiveness of mission within the community.

Disclosure of information to auditors

In so far as the Trustees are aware:

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

Auditors

The Hackney and Stoke Newington Methodist Circuit have appointed new auditors, Clay Ratnage and Co, following a consultation of the Circuit Leadership Team.

Approved by the Trustees on 25 June 2024 and signed on their behalf by:

Rev Dr Paulo Bessa da Silva

Rev Dr Paulo Bessa Da Silva
Superintendent Minister

THE METHODIST CHURCH IN HACKNEY AND STOKE NEWINGTON

Statement of Trustees' responsibilities for the year ended 31 August 2023

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).

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 Circuit's financial activities during the year and of its financial position at the end of the 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 2019;
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the Circuit and enable them to ensure that the accounts comply with the Standing Orders of the Methodist Church, the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and other relevant regulations. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

THE METHODIST CHURCH IN HACKNEY AND STOKE NEWINGTON

Independent Auditor's Report to the Trustees of The Methodist Church in Hackney and Stoke Newington

Opinion

We have audited the financial statements of Hackney Methodist Circuit (the 'charity') for the year ended 31 August 2023 which comprise Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the 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 trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

THE METHODIST CHURCH IN HACKNEY AND STOKE NEWINGTON

Independent Auditor's Report to the Trustees of The Methodist Church in Hackney and Stoke Newington (continued)

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 (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our approach was as follows:

- Obtaining an understanding of the legal and regulatory frameworks applicable to the charity.
- Obtained an understanding of how the charity is complying with those legal and regulatory frameworks by making enquiries to the trustees.
- The susceptibility of the charity's financial statements to material misstatement caused by fraud or other irregularities were assessed with the following procedures:
 - Identifying and assessing the design effectiveness of controls which trustees have in place to prevent and detect fraud.
 - Understanding how those charged with governance considered the potential for override of controls and management biases.
 - Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.

THE METHODIST CHURCH IN HACKNEY AND STOKE NEWINGTON

Independent Auditor's Report to the Trustees of The Methodist Church in Hackney and Stoke Newington (continued)

Potential fraud risks that had been identified throughout the planning and commencement of the audit were communicated to the audit team.

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 is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Clay Ratnage Strevens + Hills

Clay Ratnage Strevens & Hills
Chartered Accountants & Statutory Auditors
Suite D, The Business Centre
Faringdon Avenue
Romford
Essex RM3 8EN

Date: 28/6/2024

Clay Ratnage Strevens & Hills is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

THE METHODIST CHURCH IN HACKNEY AND STOKE NEWINGTON

Statement of Financial Activities for the year ended 31 August 2023

	Notes	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
Income and Endowments from:					
Circuit assessment	3	161,000	-	161,000	128,594
Legacies		-	-	-	4,000
Grants and donations received	4	2,254	12,000	14,254	15,976
Investment income and interest	5	6,193	-	6,193	697
Rental income		51,515	-	51,515	54,208
Capital Receipt		-	-	-	3,692,898
Other income	6	52,706	416	53,122	78,581
Internal organisations	10	-	16,620	16,620	20,967
Total income		273,668	29,036	302,704	3,995,921
Expenditure on:					
Charitable activities:					
Stipends and staff costs:					
Ministry	7	103,883	10,000	113,883	126,933
Internal organisations	10	-	-	-	6,924
District assessment		43,268	-	43,268	43,824
Telephone, travel and administration	8	7,838	-	7,838	5,781
Maintenance on manses	9	33,893	-	33,893	10,458
District advance fund		1,173	-	1,173	1,168
Other expenditure	11	48,328	1,625	49,953	41,930
Internal organisations	10	-	16,955	16,955	14,305
Grants and donations	12	5,129	900	6,029	1,110
Total expenditure		243,512	29,480	272,992	252,433
Net movement in funds		30,156	(444)	29,712	3,743,488
Funds balances at 1 September 2022		4,863,863	5,446	4,869,309	1,125,821
Funds balances at 31 August 2023		4,894,019	5,002	4,899,021	4,869,309

All activities are classified as continuing.

THE METHODIST CHURCH IN HACKNEY AND STOKE NEWINGTON

Statement of Financial Activities for the year ended 31 August 2023

Comparative year information

Year ended 31 August 2022

	Notes	Unrestricted Funds £	Restricted Funds £	2022 Total £
Income and Endowments from:				
Circuit assessment	3	128,594	-	128,594
Legacies		4,000	-	4,000
Grants and donations received	4	1,474	14,502	15,976
Investment income and interest	5	697	-	697
Rental income		54,208	-	54,208
Capital Receipt		3,692,898	-	3,692,898
Other income	6	78,519	62	78,581
Internal organisations		-	20,967	20,967
Total income		3,960,390	35,531	3,995,921
Expenditure on:				
Charitable activities:				
Stipends and staff costs:				
Ministry	7	114,933	12,000	126,933
Internal organisations		-	6,924	6,924
District assessment		43,824	-	43,824
Telephone, travel & administration	8	5,281	500	5,781
Maintenance on manses	9	10,458	-	10,458
District advance fund		1,168	-	1,168
Other expenditure	11	41,481	449	41,930
Internal organisations		-	14,305	14,305
Grants and donations	12	1,110	-	1,110
Total expenditure		218,255	34,178	252,433
Net movement in funds		3,742,135	1,353	3,743,488
Funds balances at 1 September 2021		1,121,728	4,093	1,125,821
Funds balances at 31 August 2022		4,863,863	5,446	4,869,309

All activities are classified as continuing.

THE METHODIST CHURCH IN HACKNEY AND STOKE NEWINGTON

Balance Sheet as at 31 August 2023

	Notes	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
Fixed Assets					
Tangible assets	14	4,656,375	-	4,656,375	4,656,375
		<u>4,656,375</u>	<u>-</u>	<u>4,656,375</u>	<u>4,656,375</u>
Current Assets					
Debtors	16	30,828	-	30,828	2,906
T.M.C.P. Interest funds		46,901	-	46,901	46,738
Central Finance Board Deposits		154,132	-	154,132	124,259
Cash at bank and in hand		22,362	2,624	24,986	59,373
Fund held by internal Organisations		-	2,378	2,378	2,713
		<u>254,223</u>	<u>5,002</u>	<u>259,225</u>	<u>235,989</u>
Creditors					
Amounts falling due within one year	17	(16,579)	-	(16,579)	(23,055)
Net Current Assets		<u>237,644</u>	<u>5,002</u>	<u>242,646</u>	<u>212,934</u>
Net Assets		<u>4,894,019</u>	<u>5,002</u>	<u>4,899,021</u>	<u>4,869,309</u>
Accumulated funds					
Unrestricted funds		4,894,019	-	4,894,019	4,863,863
Restricted funds		-	5,002	5,002	5,446
Total Funds	19	<u>4,894,019</u>	<u>5,002</u>	<u>4,899,021</u>	<u>4,869,309</u>

The accounts were approved by the Trustees on 25 June 2024 and signed on their behalf by:

Rev Dr Paulo Bessa da Silva

Susan Millman

.....
Rev Dr Paulo Bessa Da Silva
Chair of Circuit Meeting

.....
Susan Millman
Circuit Steward

THE METHODIST CHURCH IN HACKNEY AND STOKE NEWINGTON

Notes to the accounts for the year ended 31 August 2023

1. Accounting policies

a) Circuit information

The Methodist Church in Hackney and Stoke Newington is an unincorporated Charity in England and Wales. The main address is given on page 4 of these accounts.

b) Accounting convention

The accounts have been prepared in accordance with 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 2019)'. The Circuit is a Public Benefit Entity as defined by FRS 102.

The Circuit 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 accounts 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 accounts are prepared in sterling, which is the functional currency of the Circuit.

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

c) Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the Circuit has adequate resources to continue in operational existence for the foreseeable future.

d) Funds

Unrestricted funds

Unrestricted funds are held for use at the discretion of the Trustees in furtherance of the general objectives of the Circuit.

Restricted funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors and grantors. The aim and use of the major restricted funds are set out in the notes to the accounts.

e) Income recognition

Church assessment

The Church assessment is accounted for on a receivable basis.

Benevolence

Benevolence funds have been historically contributed by the four Churches from their general funds and are accounted for on a receipts basis in accordance with Standing Order 527 of the Constitution of the Methodist Church.

THE METHODIST CHURCH IN HACKNEY AND STOKE NEWINGTON

Notes to the accounts for the year ended 31 August 2023 (continued)

1. Accounting policies (continued)

Grants and donations received

Grants from third parties are included when the relevant conditions for the grant have been met.

Voluntary income comprises donations and contributions and is accounted for when entitlement has been confirmed, the amount can be measured and receipt is probable.

Rental income

Rental income from investment properties is accounted for on a receivable basis.

Other income

Other income is accounted for on a receivable basis.

Lunch Club

Lunch Club is the project of the Circuit. The income is either derived from voluntary grants or by way of charitable activities.

Investment income and interest

Interest on deposits and investments is accounted on a receivable basis.

f) Expenditure recognition

Expenses

All expenses are accounted for on an accruals basis. Any ensuing liabilities are recognised as soon as a legal or constructive obligation arises.

District assessment

The District assessment is accounted for on an accruals basis.

g) Tangible fixed assets

Properties are stated at cost or in the case of donated assets at the valuation at the date that the assets are gifted to the Circuit. The Trustees consider that the lives of the properties are so long and their residual values so high based on prices prevailing at the time of acquisition that the annual depreciation charge and accumulated depreciation is not material. Accordingly, no depreciation is provided on freehold properties used for charitable activities. Any material impairment in the value of such properties, following an annual review, would be chargeable to the Statement of Financial Activities.

Assets having an initial cost of £1,000 or less are written off on acquisition. Fixtures and fittings, office and computer equipment having an initial cost greater than £1,000 are stated at cost less depreciation. Depreciation rates calculated to write off the cost less estimated residual value of each asset over its expected useful life are as follows:

- Fixtures, fittings and equipment: 10% - 20% on a straight line basis
- Office equipment: 20% on a straight line basis

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 for the year.

h) 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.

THE METHODIST CHURCH IN HACKNEY AND STOKE NEWINGTON

Notes to the accounts for the year ended 31 August 2023 (continued)

1. Accounting policies (continued)

i) Financial instruments

The Circuit has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

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

Financial assets and liabilities are offset, with the net amounts presented in the accounts, 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 other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

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

j) 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 Circuit is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

k) Retirement benefits

Stipendiary Circuit Ministers are eligible to join the Methodist Ministers' Pension Scheme (MMPS). The MMPS is a funded defined benefit scheme maintained by The Methodist Church of Great Britain. As the Circuit is unable to identify its share of the underlying assets and liabilities of the scheme, the Circuit has taken the advantage of the exemption in Financial Reporting Standard 102, Retirement Benefits, and has accounted its contributions to the scheme as if it were a defined contribution scheme. The pension costs for the scheme represent the contribution payable by the Circuit in the year. The contribution rates are set each year by the Methodist Conference.

Access to a stakeholder pension scheme is provided to all eligible lay employees and the Circuit contributes an amount equal to 6% of the employee's gross salary into this scheme.

Three employees are contributing to the scheme.

2. Critical accounting estimates and judgements

In the application of the Circuit's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

THE METHODIST CHURCH IN HACKNEY AND STOKE NEWINGTON

Notes to the accounts for the year ended 31 August 2023 (continued)

3. Circuit assessment

	2023 £	2022 £
Clapton Methodist Church	23,376	27,900
Clapton Park Methodist Church	-	4,844
Dalston Methodist Church	20,968	23,400
Green Lane / Stoke Newington Methodist Church	93,280	49,500
Mare Street Methodist Church	23,376	22,950
	161,000	128,594

4. Grants and donation received

	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
London District Methodist Church	-	12,000	12,000	6,000
Hackney Giving	-	-	-	8,502
Others	2,254	-	2,254	1,474
	2,254	12,000	14,254	15,976

5. Investment income and interest

	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
Interest from Bank	4,729	-	4,729	504
Interest from Trust	1,464	-	1,464	193
	6,193	-	6,193	697

6. Other Income

	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
Management fees	20,131	-	20,131	24,991
Methodist Women in Britain	-	416	416	62
West London Mission Circuit	8,366	-	8,366	24,533
Clapton Park HSBC balance	-	-	-	5,746
Letting (hire)	23,467	-	23,467	20,275
Other income	742	-	742	2,974
	52,706	416	53,122	78,581

THE METHODIST CHURCH IN HACKNEY AND STOKE NEWINGTON**Notes to the accounts for the year ended 31 August 2023 (continued)****7. Stipends and staff costs**

	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
<u>Ministry and staff</u>				
Stipends	54,850	-	54,850	54,766
Salaries	27,997	10,000	37,997	49,857
Employer's National Insurance	5,248	-	5,248	5,892
Pension costs	15,788	-	15,788	16,418
	103,883	10,000	113,883	126,933

The average monthly number of staff employed during the year was 2 (2022: 4).

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

During the year redundancy costs totalling £5,388 were paid out. At the year end this amount is recoverable from Stoke Newington Methodist Church and has been included in Other Debtors.

7a. Trustees' emoluments

One or more Trustees have been paid remuneration or have received other benefits from their employment with the Circuit. Trustees only receive remuneration in respect of services they provide undertaking their employment roles under their contracts of employment and not in respect of their services as Trustees.

	2023 £	2022 £
Rev Andrew Letby	33,968	35,650
Revd Paulo Bessa Da Silva	34,813	33,058
Rev John Richey	-	8,600
	68,781	77,308

7b. Key Management Personnel

The key management personnel of the Circuit comprise of the Trustees and the senior management team as listed on page 3. The total amount of the employee benefits (including employer pension contributions received by the key management personnel for their services to the Circuit was £74,029 (2022: 82,586).

7c. Pension costs

The total pension cost for the Circuit for the year ended 31 August 2023 was £15,788(2022: £16,418). There were no outstanding or prepaid pension contributions at 31 August 2023.

THE METHODIST CHURCH IN HACKNEY AND STOKE NEWINGTON

Notes to the accounts for the year ended 31 August 2023 (continued)

8 . Telephone, travel and administration	Unrestricted	Restricted	2023	2022
	Funds	Funds	Total	Total
	£	£	£	£
Travel	2,460	-	2,460	175
Printing	247	-	247	402
Stationery and postage	516	-	516	1,181
Telephone ,internet and website	4,406	-	4,406	3,848
Bank charges	76	-	76	94
Investment management fees	133	-	133	81
	7,838	-	7,838	5,781

9 . Maintenance on manses	Unrestricted	Restricted	2023	2022
	Funds	Funds	Total	Total
	£	£	£	£
Building repairs and maintenance	25,897	-	25,897	4,515
Fire and security systems	520	-	520	284
Manse Council tax	4,683	-	4,683	3,946
Insurance	2,793	-	2,793	2,775
Utilities, telephone and other services	-	-	-	(1,062)
	33,893	-	33,893	10,458

THE METHODIST CHURCH IN HACKNEY AND STOKE NEWINGTON**10. Internal organisations**

The Hackney and Stoke Newington has a lunch club project and the income and expenditure was as follows:

	Total Restricted Funds £
Income and Endowments from:	
Grants received *	7,841
Donation Received	1,855
Activities for generating funds	1,485
Charitable activities	5,439
Other Income	-
Total Income	16,620
Expenditure	
Charitable activities	16,299
Staff costs	-
Support costs	656
Total expenditure	16,955
Net movement in funds	(335)
Funds balances at 1 September 2022	<u>2,713</u>
Funds balances at 31 August 2023	<u>2,378</u>

Notable grants were received during the year from the following organisations:

- * London Borough of Hackney Fund (£7,841) provided funding for the lunch club Project.

THE METHODIST CHURCH IN HACKNEY AND STOKE NEWINGTON

Notes to the accounts for the year ended 31 August 2023 (continued)

11. Other expenditure

	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
Tower Hamlets Methodist Circuit fees	5,761	-	5,761	6,420
Cleaning and waste removal	4,772	-	4,772	8,505
MWiB expenses	-	525	525	-
Training, conference and workshops	623	-	623	675
Ministry costs	5,335	-	5,335	4,436
Professional fees	11,812	-	11,812	17,530
Letting agent fees	7,328	-	7,328	-
Redundancy pay	5,388	-	5,388	-
Subscription	2,300	-	2,300	-
Apprenticeship Levy	274	-	274	274
Church Insurance and Utilities	3,264	900	4,164	-
Other expenses	1,471	200	1,671	4,090
	48,328	1,625	49,953	41,930

12. Grants and donations

	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
All We Can	-	-	-	145
Stoke Newington Methodist Church	4,223	900	5,123	-
Others	906	-	906	965
	5,129	900	6,029	1,110

13. Auditors' remuneration

	2023 £	2022 £
Fees payable to the Circuit's auditors for audit of the annual accounts	5,100	8,400

THE METHODIST CHURCH IN HACKNEY AND STOKE NEWINGTON

Notes to the accounts for the year ended 31 August 2023 (continued)

14 . Tangible assets

	Freehold Land & Buildings
Cost or valuation	
At 1 September 2022	4,656,375
At 31 August 2023	4,656,375

The carrying value of freehold land and building comprises of:

	2023 £	2022 £
Manses	963,477	963,477
Church building	3,692,898	3,692,898
	4,656,375	4,656,375

	2023 £	2022 £
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15 . Financial Instruments

Carrying amount of financial assets	30,615	2,906
Debit instruments measured at amortised cost		

Carrying amount of financial liabilities measured at amortised cost	16,167	23,055
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16 . Debtors

	2023 £	2022 £
Other debtors	30,828	2,906

17 . Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	412	-
Other Creditors	5,844	13,487
Accruals	10,323	9,568
	16,579	23,055

THE METHODIST CHURCH IN HACKNEY AND STOKE NEWINGTON

Notes to the accounts for the year ended 31 August 2023 (continued)

18 . Restricted funds

	Balance as at 01.09.22 £	Incoming £	Outgoing £	Transfers between funds £	Balance as at 31.08.23 £
Funds					
i. Listening group grant	1,553	900	(900)	-	1,553
ii. Methodist Women in Britain	1,180	416	(525)	-	1,071
iii. Internal Organisations.	2,713	16,620	(16,955)	-	2,378
iv. Warm space.	-	1,100	(1,100)	-	-
v. Administrator grant	-	10,000	(10,000)	-	-
	5,446	29,036	(29,480)	-	5,002

i. Listening group fund - The Listening Place is run twice a week at Stoke Newington Methodist Church and is part of the church's outreach work, encouraging involvement with the disadvantaged within the community.

ii. Methodist Women in Britain fund - This fund is a self-financing and volunteer run within the Methodist Church in Britain.

iii. Internal Organisations fund - This fund is for the lunch club project operated within the Circuit.

iv. Warm Space – the fund for supporting communities through rising costs in winter, by bringing people together into warm space.

v. Administrator grant- to pay administrator salary.

19 . Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	2023 Total £
Fund balances at 31 August 2022 are represented by:			
Tangible fixed assets	4,656,375	-	4,656,375
Net current assets	237,644	5,002	242,646
	4,894,019	5,002	4,899,021

20. Related party transactions

The Circuit is part of The London District and is also accountable to the Methodist Conference, the ultimate controlling body. Related parties also include Ministers, other Circuit and Churches, Central Finance Board of the Methodist Church and The Trustees for Methodist Church Purposes ("TMCP").

Details of the transactions occurring during the year were as follows:

The London District of Methodist Church (TLDMC)

During the year, the Circuit received grants of £12,000 (2022: £6,000) from TLDMC. The Circuit also paid assessment of £43,268 (2022: £43,824) to TLDMC. Rev Jongikaya Zihle, Trustee of the Hackney Methodist Circuit (HMC) is also a Trustee of TLDMC.

West London Mission Methodist Circuit (WLMM)

During the year, the Circuit received rent and contribution to costs re Council Tax / Telephone of £8,366 (2022: £24,533) from WLMM. Deacon Belinda Letby, the wife of Revd Andrew Letby, was a Trustee and minister of WLMM, residing in a manse of the Hackney and Stoke Newington Circuit. Rev Jongikaya Zihle, Trustee of the Hackney Methodist Circuit (HMC) is also a Trustee of WLMM.

Stoke Newington Methodist Church (SNMC)

During the year, the Circuit received assessment of £93,280 (2022: £49,500) from SNMC. The Circuit was also due to receive management and administration fees of £20,131 (2022: £24,991) from SNMC for services provided by the Circuit's members of staff. As at 31 August 2023, SNMC owed an amount of £20,131 to the Circuit. The following Trustees of the Hackney Methodist Circuit (HMC) were also Trustees of SNMC: Rev Dr Paulo Bessa Da Silva, Rev Andrew Letby, Eric Ayoola, Catherine Hogan, Clord Dyer, Mary Elvira Campbell, Laura Dyer, Ebun Esther Abebi Adekunle, Alexandra Weekes-Aggrey and Cora Woolcock.

THE METHODIST CHURCH IN HACKNEY AND STOKE NEWINGTON

Notes to the accounts for the year ended 31 August 2023 (continued)

Dalston Methodist Church (DMC)

During the year, the Circuit received assessment of £20,968 (2022: £23,400) from DMC.

The following Trustees of the Hackney Methodist Circuit (HMC) were also Trustees of DMC: Rev Andrew Letby, Susan Millman, Gloria Amarteifio, Vida Koranteng, Janette Baxter, Alexander Amarteifio, Valentine Baxter, Lucinda Ansah, Amanda Ansah and Rachael Icilda Lynch.

Hackney Mare Street Methodist Church (HMSMC)

During the year, the Circuit received assessment of £23,376 (2022: £22,950) from HMSMC.

The following Trustees of the Hackney Methodist Circuit (HMC) were also Trustees of HMSMC: Rev Andrew Letby, Kwaku Anyemedu, Mandy Baafi, Eunice Whyte, Afua Adofo, Joyce Borley, Kobby Darko, Rita Dapaah, Rita Donyina-Ameyaw and Ernell Watson.

Clapton Methodist Church (CMC)

During the year, the Circuit received assessment of £23,376 (2022: £27,900) from CMC.

The following Trustees of the Hackney Methodist Circuit (HMC) were also Trustees of CMC: Rev Dr Paulo Bessa Da Silva, Rev Andrew Letby, Susan Millman, Catherine Hogan, Eunice Whyte, Kwaku Anyemedu, Thomas Daley, Charlotte Morgan, Tamba Gborie, Aminata Gborie, Mackenzie Greer, Rudolph Homer and Mathilda Small-Byam.

Methodist Church in Tower Hamlets (MCTH)

During the year, the Circuit paid management and administration fees of £5,761 (2022: £6,420) to MCTH for services provided by MCTH Circuit's finance Officer. Rev Jongikaya Zihle, Trustee of the Hackney Methodist Circuit (HMC) is also a Trustee of MCTH.