



**TRUSTEES REPORT & ACCOUNTS FOR THE YEAR
ENDED 31 AUGUST 2020**



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Administration

Charity Registration No: 1134517

Names of Trustees:

Revd Dr Leao-Neto (Superintendent until 31/10/19)	
Revd Dr Mike Long (Superintendent from 1/11/19))	
Easmon Lavalay (Secretary)	Mary Lewis
Abena Oduro (Treasurer)	Val McCallum (Assistant Treasurer)
Robin Sharp	Ingrid Yarde
Kwasi Amoah	Veronica Boateng
Ellen Boakye	David Boampong
Florence Doherty	Alexandra Dugbazah
Chris Johnson	Rupert Mikely
Bevan Powell	Vera Walters-Morrison
Norman Mullings	Eric Oduro
Bill Phillip	Bevan Powell
Ellen Boakye	Norma Ward

Stewards (*ex-officio* Trustees)

Vera Walters-Morrison	David Boampong
Florence Doherty	James Howard
Veronica Boateng	

Superintendent Minister

Revd. Elaine Joseph

Registered Address

25 High Street, Harlesden,
London, NW10 4NE.

Bankers:

HSBC Bank Plc
22 Victoria Street, Westminster, London, SW1H 0NJ

Central Finance Board of the Methodist Church (CFB)
9 Bonhill Street, London, EC2A 4PE

Advisors:

Trustees for Methodist Church Purposes (TMCP)
Central Buildings, Oldham Street, Manchester, M1 1JQ

Independent examiners:

GMAK Services Limited
Flat 1, 26 Lansdowne Road, London W11 3LL

Solicitors:

Hadley Law Associates LLP
56 East View, Barnet, London EN5 5TN

Governance and Management

The Managing Trustees (Church Council) have overall responsibility for ensuring the proper administration of the charity; the safeguarding of the assets of the charity; the records of account and the compliance with all relevant laws and regulations.

Committees/Membership

The main committees are Finance & Policy, Property, Pastoral and Governance. These committees are accountable to the charity and are charged with examining the effectiveness of the system of governance and making recommendations to the managing trustees. The overriding strategy for the life and mission of the charity is the responsibility of the managing trustees.

The church currently has membership of 250 adults and the total community roll is about 400, including about 10 children.

Charitable Objectives and Mission Statement

The calling of the Methodist Church is to respond to the gospel of God's love in Christ and to live out its discipleship in worship and mission. It does this through:

- Worship
- Learning and Caring
- Service
- Evangelism

In partnership with others wherever possible, the Methodist Church will concentrate its prayers, resources, imagination and commitments on this priority:

To proclaim and affirm its conviction of God's love in Christ, for us and for all the world; and renew confidence in God's presence and action in the world and in the Church

As ways towards realizing this priority, the Methodist Church will give particular attention to the following:

- Underpinning everything, we do with God-centred worship and prayer;
- Supporting community development and action for justice, especially among the most deprived and poor - in Britain and worldwide;
- Developing confidence in evangelism and in the capacity to speak of God and faith in ways that make sense to all involved;
- Encouraging fresh ways of being Church.
- Nurturing a culture in the Church which is people-centred and flexible

Mission Statement of Harlesden Methodist Church

Harlesden Methodist Church has developed a mission statement setting out key policies. In summary it states the following objectives:

- Make disciples of Jesus Christ
- Encourage and support young people in the church and beyond
- Serve our local community and wider world in both spiritual and practical ways
- Unite with fellow Christians locally and throughout the world
- Recognize and celebrate our unity and diversity and work to overcome division

Review of Activities

Shortly after the year began, the superintendent minister, Revd Dr Leao-Neto, announced that he had been offered the post of ecumenical secretary to the Methodist Church and requested a curtailment to his appointment. This was agreed and made effective on 31st October 2019. The President of the Conference stationed Revd Dr Michael Long as superintendent to the church and circuit from 1st November.

Until the outbreak of coronavirus in early 2020, the Church maintained the regular and full programme of Sunday worship, including activities for Junior Church and fellowship groups – Women's Fellowship, Men's Fellowship, Rainbow Fellowship, Choir and Fellowship and the Ghanaian Fellowship. Attendance at Sunday worship (11.00 am and 6.30 pm) has remained similar to previous years. The various fellowships continue to offer the opportunity for people to develop their faith and nurture their discipleship.

The Church in partnership with other denominations run a Fresh-Food Food Bank since December 2016. It has seen an increase in the numbers of those attending. The numbers have reached just under 100 people, representing families. They receive food, advice, English lessons and pastoral/spiritual support. The Food Bank is run mostly by local church and community volunteers, including a few church members.

As an expression of the Church's mission to welcome the stranger and the needy, the Church, with the support of the London Borough of Brent, continued to house a Syrian Refugee family in one of its two flats since 12 December 2017.

The church continues its effort to renovate its premises in order to improve its services to the wider community but has experienced considerable difficulty in doing so. The heating and water systems in particular are earmarked for urgent attention.

THE IMPACT OF THE PANDEMIC FROM MARCH 2020

The church was closed in March following government regulation to minimise the spread of COVID 19. The local community was one of those most seriously affected during March and April 2020, and sadly several church died from COVID-19, and a number of others were unwell. Although the church was closed during this period, members were encouraged to participate in joint zoom services with Notting Hill Methodist church and others organised by various Methodist churches in the UK

The closure of the church premises had a very serious impact upon our finances, both through reduced congregational giving and a dramatic fall in lettings income.

Financial Review

Income for the year totalled £135,320 (2019: £164,980). Expenditure for the year totalled £141,435 (2019: £252,946). All funds of the church are unrestricted funds at the end of the reporting period.

The church General Fund is primarily made up of the following:

- Donations and legacies were 34% (2019:27%) of its general fund.
- Lettings were 38% (2019: 44%) of the overall general income of the church.
- The church received other income through various activities during the year such as income from investments.

3. Resources Expended:

Circuit Assessment is 29% (2019:19%) of the total church expenditure. The Circuit assessment primarily includes District assessment and the cost of the minister.

Church running expenses forms 34% (2019:26%) of the church resources expended. Repairs and maintenance forms 5% (2019:46%) of its resources allocated. Utilities and Insurance makes up 25% (2019:7%) of the overall church expenses.

Risk Assessment

The charity depends on voluntary contributions from members and a decline in voluntary contributions may affect the church's ability to meet its obligations. The charity also has rooms that it rents out for social gatherings and this fund is utilized to meet the financial obligations of the charity. The Finance and the Property Committee take responsibility for risk assessment that involves a review of the charity's pro-

cedures on an ongoing basis. The charity has internal control procedures in place to mitigate risk.

Trustees' Responsibilities

The Trustees are responsible for preparing the financial statements that give a true and fair view of the charity's financial activities in the course of the year and at the end of the year. In preparing the financial statement, the trustees should follow best practice and;

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards and statement of recommended practice have been followed, subject to any departures disclosed and explained in the financial statement and
- Prepare the charity financial statements on an ongoing concern basis unless it is inappropriate to presume that the charity will continue in operation.

Reserve Policy



The Trustees have agreed to maintain a level of 12 weeks operational costs as reserves in the current year.

Public benefit statement

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and public benefit".

These financial statements have been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities.

Approved by the trustees and signed on their behalf by:


Revd  Elaine Joseph
Superintendent Minister


Abena Oduro
Treasurer

Name of Church

Harlesden Methodist Church

District No

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

Notes to the account s	General Fund (Unrestricted) £	District Advance Fund (Unrestricted) £	Designated Funds (unrestricted) £	Restricted Funds £	Endowment Funds	Total 2019-20 £
Income from						
1 Donations and legacies	45,022					45,022
2 Connexional Advance & Property Fund						
3 Income from investments	34					0
Income from Investment Properties	31,817					34
Income from charitable activities						31,817
4 Assessments on circuits						0
5 From Circuit Model Trust Funds						0
6 Income from Lettings						0
7 Other charitable activities	49,687					49,687
8 Internal organisations	3,426					3,426
9 Other income	1,691			3,643		3,643
Total income	131,677	0	0	3,643	0	135,320
Expenditure						
9 Circuit assessment or share	40,267					40,267
Grants and donations	1,050					1,050
10 Salaries and associated costs	39,662					39,662
11 Insurance, utilities	34,245					34,245
12 Property Maintenance	6,889					6,889
13 Office expenses	7,493					7,493
14 Synods, committees, Conference						0
15 Training						0
Depreciation	3,040					3,040
16 Professional fees	2,800					2,800
17 Other outgoings	2,346					2,346
Total expenditure	137,792	0	0	3,643	0	141,435
Net income/(expenditure) before gains and losses on investments	-6,115	0	0	0	0	-6,115
18 Net gains/(losses) on investments						0
Net income/(expenditure)	-6,115	0	0	0	0	-6,115
19 Transfers between funds						0
20 Other gains/(losses)						0
Net movement in funds	-6,115	0	0	0	0	-6,115
Total funds brought forward	2,644,623					2,644,623
Total funds carried forward	2,638,508	0	0	0	0	2,638,508

Name of Church

Harlesden Methodist Church

District No

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

Notes to the account s	General Fund (Unrestricted) £	District Advance Fund (Unrestricted) £	Designated Funds (unrestricted) £	Restricted Funds £	Endowment Funds	Total 2018-19 £
Income from						
1 Donations and legacies	43,540					43,540
2 Connexional Advance & Property Fund						0
3 Income from investments	409					409
Income from charitable activities						
4 Assessments on circuits						0
5 From Circuit Model Trust Funds						0
6 income from Investment Properties	28,383					28,383
7 Other charitable activities	70,545					70,545
8 Income from other trading activities						0
9 Other income	19,873			2,230		22,103
Total income	162,750	0	0	2,230	0	164,980
Expenditure						
9 Grants and donations						0
10 Salaries and associated costs						0
Circuit assessment or share	47,388					47,388
12 Property Maintenance	115,544					115,544
13 Office expenses	17,995					17,995
14 Synods, committees, Conference						0
15 Depreciation	3,040					3,040
16 Professional fees						0
17 Other outgoings	66,749			2,230		68,979
Total expenditure	250,716	0	0	2,230	0	252,946
Net income/(expenditure) before gains and losses on investments	-87,966	0	0	0	0	-87,966
18 Net gains/(losses) on investments						0
Net income/(expenditure)	-87,966	0	0	0	0	-87,966
19 Transfers between funds						0
20 Other gains/(losses)						0
Net movement in funds	-87,966	0	0	0	0	-87,966
Total funds brought forward	2,732,589					2,732,589
Total funds carried forward	2,644,623	0	0	0	0	2,644,623

Harlesden Methodist Church

District No

Balance Sheet as at 31 August 2020

Notes to the Accounts							Totals 2018/19	Totals 2019/20
	General Fund (Unrestricted)	District Advance Fund (Unrestricted)	Designated Funds (Unrestricted)	Restricted Funds	Endowment Funds		£	£
Fixed Assets								
Tangible fixed assets							2,200,000	2,200,000
Investment properties							394,380	394,380
Investments							9,120	9,120
Total fixed assets							2,603,500	2,603,500
Current Assets								
Debtors							19,275	19,275
Loans by the District								0
Investments with TMCP							145	145
Central Finance Board Deposits							66	66
Cash at Bank and in hand							28,501	34,566
Total current assets							47,987	54,051
Current liabilities								
Creditors (due in under 1 year)							12,979	19,044
Grants payable in 2018-19							12,979	0
Total current liabilities								0
Net current assets/liabilities							35,008	19,044
Total assets less current liabilities							2,638,508	2,638,508

Church Accounting Policies

Basis

These accounts have been prepared on the basis of historical cost, except that investment properties are shown at their market value at the end of the year, and on the accruals basis to show a true and fair view of the Church's financial position and activities.

Funds

The funds held constitute : general funds held for any purpose of the Church which are unrestricted; restricted funds which are subject to restrictions imposed by the donor and can only be used for specific purposes.

Incoming resources

Incoming resources are included in the Statement of Financial Activities (SOFA) when the Church becomes entitled to that income, and the trustees are reasonably certain they will receive the resources, and the amount can be quantified with reasonable accuracy.

Resources expended

Expenditure is recognised on an accruals basis when a liability is incurred or a constructive obligation arises that results in the payment being unavoidable. Liabilities are recognised as soon as an outflow of economic benefit is considered more likely than not under the legal or constructive obligation committing the Church to pay out resources.

VAT

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

Tangible fixed assets

It is the Church's policy to capitalise its non-building fixed assets, including vehicles, furniture and equipment assets, with costs over £1,000 and to charge depreciation on these. All building fixed assets are capitalised with only the building element depreciated

Residential rental properties are also treated as investment properties. Their valuations are based on vacant possession values reduced by one third to reflect their tenanted status.

Depreciation

Depreciation is charged as follows on building and non-building fixed assets :

Buildings (other than investment properties)	over 50 years
Organ	over 5 years
Computers	over 3 years
Furniture and equipment	over 5 years

Critical accounting estimates and judgments

In the application of the charity's accounting policies, the trustees are required to make judgments, 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 current and future periods.

Notes to the Accounts

1 Income from Investment Properties

The income from lettings of £31,817 (2019 - £28,383) comes from the letting of two flats.

1. Other Charitable Income

This income of £49,687 (2019 - £70,545) comes principally from the letting of space in the Church.

2. Circuit assessment or share

The charge of £40,267 (2019 - £47,388) is borne by the Church.

3. Salaries, NIC and Pension costs

Ministry expenses and **Other expenditure** include relevant staff employment costs.

	2020	2019
Gross wages, salaries and benefits in kind	34,290	30,620
Employer's National Insurance costs	1,356	1,206
Employer's pension costs	967	1,560
	<hr/>	<hr/>
Total staff costs	36,614	32,555

Average number of staff employed by the Church and Circuit during the year were 2 (full time equivalents) (2019 – 2)

The Church provides a money purchase pension arrangement with Nest.

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

4. Tangible Fixed Assets

(See Schedule at end of Notes to the Accounts)

4.1 Property fixed assets for the Church's own use

4.2 Property fixed assets for investment

The Church acquired the freehold and leasehold of 4 Tavistock Road through a legacy. The flats are insured for £349,544.

4.3 Depreciation

Depreciation is shown in the Schedule at the end of Notes to the Accounts, charged on building and non-building fixed assets at the rates shown under Church Accounting Policies above.

	2020	2019
5. Debtors		
Rent in arrears	44,839	25,641
Provision for bad debts	(28,436)	(14,000)
Other debtors	<u>2,872</u>	<u>9,827</u>
	<u>19,275</u>	<u>21,468</u>
6. Creditors		
Other creditors and accruals	<u>19,042</u>	<u>23,228</u>
	19,042	23,228
7. Fees for independent examination of the accounts		
Independent examiner's fee for reporting on the accounts	2,650	2,500

8. Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows:

	2020	2019
Aggregate compensation	<u>15,237</u>	<u>14,383</u>

One trustee, Chris Johnson, was paid £1,319 for caretaker cover.

9. **Capital commitments and Contingent liabilities**

The Church had no such commitments or liabilities at the year end.


10. **Tangible fixed assets**

	Church buildings and other property	Investment properties	Fixturess fittings & equipment	Total
Cost at 1.9.19	2,200,000	394,380	45,319	2,639,699
Additions				
Cost at 31.8.2020	<u>2,200,000</u>	<u>394,380</u>	<u>45,319</u>	<u>2,639,699</u>
Depreciation brought forward	-	-	33,159	33,159
Charge for the year	<u>-</u>	<u>-</u>	<u>3,040</u>	<u>3,040</u>
Depreciation carried forward 31.8.20	<u>-</u>	<u>-</u>	<u>36,199</u>	<u>36,199</u>
Net book value 31.8.20	2,200,000	394,380	9,120	2,603,500
Net book value 31.8.19	2,200,000	394,380	12,160	2,606,540

Name of Church ...Harlesden Methodist Church..... No...1134517.....

Declarations and Scrutiny

I confirm that these accruals-based accounts for the year to 31 August 2020 have been prepared from the records of the Church and that they include all funds under the control of the Church trustees.

Signature of treasurer  Date..07/10/2021.

Name and address of treasurer ...ABENA ODURO, 36 MIDLAND TERRACE,
LONDON..... Post Code NW10 6DR

Presentation to the Church trustees

I confirm that the annual report and accounts for the year ended 31 August 2020 ~~were~~/will be* presented to the meeting of the Church trustees held on ...28/10/2021

Signature of the Chair of the meeting 

Name of the Chair of the meeting RED H. ELAINE JOSEPH Date ...10/10/2021

Independent Examiner's Report to the Trustees of the Harlesden Methodist Church

Charity Number 1134517

Responsibilities and basis of report

I report to the trustees on my examination of the accounts of the Harlesden Methodist Church for the year ended 31 August 2020 set out on pages 10 to 17. As the Church's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Church's accounts carried out under section 145 of the Act and, in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

* delete or circle as appropriate

Name of Church No

Independent Examiner's Statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination (other than that disclosed below*) which give me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Act; or
- the accounts do not accord with the accounting records; or
- the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view, which is not a matter considered as part of an independent examination
- the trustees' annual report is not consistent with the accounts

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

I have/have not* obtained independent verification of all investments with the Trustees for Methodist Church Purposes or held in other trusts, bank balances and funds at the Central Finance Board of the Methodist Church which are individually in excess of £10,000 (ten thousand pounds) at the balance sheet date.

Signature of independent examiner A. Ktistakis

Name of independent examiner ANGELA KTLSTAKIS

Relevant professional qualification of independent examiner ACA, FCCA

Name of firm (where appropriate) GMAK Services Ltd

Address Flat 1, 26 Lansdowne Road

..... London Post Code W11 3LL

Date 18 Oct 2021

* delete or circle as appropriate