

**TRUSTEES REPORT & ACCOUNTS FOR THE YEAR
ENDED 31 AUGUST 2021**



Administration

Charity Registration No: 1134517

Names of Trustees:

Revd H. Elaine Joseph (Superintendent)	Easmon Lavalley (Secretary)
Abena Oduro (Treasurer)	Val McCallum (Assistant Treasurer)
Robin Sharp	Ingrid Yarde
Kwasi Amoah	Veronica Boateng
Florence Doherty	Alexandra Dugbazah
Chris Johnson	Rupert Mikely
Bevan Powell	Vera Walters-Morrison
David Boampong	Eric Oduro
Bill Phillip	Bevan Powell

Stewards (*ex-officio* Trustees)

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

Superintendent Minister

Revd. H. 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

- 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 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

The church welcomed Revd. H. Elaine Joseph who is the new Superintendent Minister to serve the community for the next five years.

Governance meetings were conducted via Zoom for the whole church year, which was very challenging. The positive outcome is that most of the Trustees have learnt new skills and can communicate on more media platforms than pre-pandemic.

Worship services were conducted via Zoom, initially with Notting Hill Methodist Church (September - November 2020), and then by the Trustees from 6th December 2020. Funding was sourced from the London District of the Methodist Church to update the equipment so that they could improve the means by which they could reach people using technology. After a thorough Risk Assessment was passed by the Church Council regular Sunday worship was reinstated on Sunday, 25th July 2021 at 11am. The average attendance initially was 40 per week, with intermittent attendance by children and youth.

Although, not meeting in person, the various fellowship group leaders have continued to support their members through telephone and various social media and met online, when possible.

- The church received £37,621 through donations and grants from various Methodist churches to support the refurbishment of the Minister's residential house. This was 27% of the total funds received during the year.
- Residential and regular lettings of the church premises increased significantly during the year to 55% (2020: 38%) of the total income of the church. This was primarily due to recovery of outstanding debts.

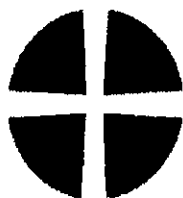
Expenditure:

Expenditure excluding revaluation and depreciation effect for the year totalled £172,707 (2020: £141,435). Below is a summary of the key expenditure during the period:

- Circuit contribution is made up of London District assessment of the Methodist church, maintenance of the residential house of the minister and stipend. This formed 51% (2020:29%) of the total church expenditure during the year. A significant portion was the refurbishment of the residential house which was substantially funded through grants as described above.
- Church running expenses which is primarily the wages of staff and office supplies was 19% (2020:34%) of the church's total expenditure.
- Repairs and maintenance was 11% (2020:5%) of its resources allocated.
- Utilities and Insurance makes up 18% (2020:25%) 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 procedures on an ongoing basis.



Church
Accruals Accounts
2020-2021

**THE METHODIST CHURCH
STANDARD FORM OF ACCOUNTS
ACCRUALS BASIS**

for the year end 31 August 2021

HARLESDEN METHODIST

Church

Registered Charity - Registration number

1134517

This will apply to all Charities in Scotland and to all Charities in England and Wales which are Registered Charities.

Circuit no

35/13

Minister

REV. H. ELAINE JOSEPH

Church Stewards

CHRIS JOHNSON

VERONICA BOATENG

JAMES HOWARD

DAVID BOAMPONG

Treasurer

ABENA ODURO

Name of Church

Church No

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

	Notes to the accounts	General Fund (Unrestricted)	Designated Funds (unrestricted)	Restricted Funds	Endowment Funds	Total 2019-20
		£	£	£	£	£
Income						
1 Offerings		45,022				45,022
2 Donations						0
3 Gift aid						0
4 Interest and investment income		34				34
5 Income from investment properties		31,817				31,817
6 Income from lettings		49,687				49,687
7 Internal organisations				3,643		3,643
8 Other charitable income		5,117				5,117
Total Income		131,677	-	3,643	-	135,320
Expenditure						
9 Circuit assessment or share		40,267				40,267
10 Grants and donations		1,050				1,050
11 Salaries and associated costs		39,662				39,662
12 Property maintenance		6,889				6,889
13 Insurance, utilities etc		34,245				34,245
14 Depreciation		3,040				3,040
15 Office expenses		7,493				7,493
16 Other expenditure		5,146				5,146
17 Internal organisations				3,643		3,643
Total charitable expenditure		137,792	0	3,643	0	141,435
18 Gains/(losses) on monetary investments						0
19 Gains/(losses) on investment properties						0
20 Net income/(expenditure)		-6,115	0	0	0	-6,115
21 Transfers between funds						0
22 Other gains/(losses)						0
23 Net movement in funds		-6,115	0	0	0	-6,115
24 Total funds brought forward		2,644,623				2,644,623
25 Total funds carried forward		2,638,508	-	-	-	2,638,508

Name of Church

Church No

Statement of Financial Activities (SOFA) for the year ended 31 August 2021

	Notes to the accounts	General Fund (Unrestricted)	Designated Funds (unrestricted)	Restricted Funds	Endowment Funds	Total 2020-21
		£	£	£	£	£
Income						
1 Offerings		21,741				21,741
2 Donations		0	37,621			37,621
3 Gift aid		3,343				3,343
4 Interest and investment income		1				1
	0	32,128				32,128
6 Income from Lettings		37,108				37,108
7 Other charitable income						0
8 Internal Organisation				85		85
9 Other Income		2,345				2,345
Total Income		96,666	37,621	85	-	134,372
Expenditure						
10 Circuit assessment or share		49,876				49,876
11 Salaries and associated cost		24,575				24,575
12 Property maintenance		27,909	37,621			65,530
13 Insurance, utilities etc		31,244				31,244
14 Depreciation		3,040				3,040
15 Office expenses		8,686				8,686
16 Other expenditure		2,686				2,686
17 Charitable donation		50				50
18 Internal organisations				85		85
Total charitable expenditure		148,066	37,621	85	0	185,772
19 Gains/(losses) on monetary investments						0
20 Gains/(losses) on investment properties		5,620				5,620
Net Income/(expenditure)		-45,780	0	0	0	-45,780
21 Transfers between funds						0
22 Other gains/(losses)						0
Net movement in funds		-45,780	0	0	0	-45,780
23 Total funds brought forward		2,638,508				2,638,508
Total funds carried forward		2,592,728	-	0	-	2,592,728

Name of Church

Church No

Balance Sheet as at 31 August 2021

Notes to the Accounts	37621					Totals 2020 £
	General Fund (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2021 £	
Fixed Assets						
Church building and other property	2,200,000				2,200,000	2,200,000
Investment properties	400,000				400,000	394,380
other fixed assets	6,080				6,080	9,120
Total fixed assets	2,606,080	0	0	0	2,606,080	2,603,500
Current Assets						
Debtors and prepayments	12,077				12,077	19,275
Loans					0	
Investments with TMCP	145				145	145
Central Finance Board Deposits	149				149	66
Cash at Bank and in hand	2,719		5,980		8,699	34,566
Total current assets	15,090	0	5,980	0	21,070	54,051
Current liabilities						
Creditors (due in under 1 year)	25,401		5,980		31,381	19,044
Grants payable within 2020-21					0	
Total current liabilities	25,401	0	5,980	0	31,381	19,044
Net current assets/liabilities	-10,311	0	0	0	-10,311	35,008
Total assets less current liabilities	2,595,769	0	0	0	2,595,769	2,638,508

Long term liabilities (due after more than one year)						
Grants payable after 2020-21						0
Loans to the Church		3,042				3,042
						0
Net assets		2,592,728	0	0	0	2,592,728
						2,638,508

Funds of the Church

General Fund (Unrestricted)		2,592,728				2,592,728
Designated Funds (Unrestricted)			0			0
Total Unrestricted Funds						2,592,728
Restricted Funds				0		0
Endowment Funds					0	0
Total Funds		2,592,728	0	0	0	2,592,728
						2,638,508

Signed



Church Treasurer

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.

Going concern

At the time of approving the financial statements, the committee has a reasonable expectation that the church has adequate resources to continue in operational existence for the foreseeable future. Thus the committee continue to adopt the going concern basis of accounting in preparing the financial statements.

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 £32,128 (2020 - £31,817) comes from the letting of two flats.

1. Other Charitable Income

This income of £37,108 (2020 - £49,687) comes principally from the letting of space in the Church.

2. Circuit assessment or share

The charge of £49,876 (2020 - £40,267) is borne by the Church.

3. Salaries, NIC and Pension costs

Ministry expenses and Other expenditure include relevant staff employment costs.

	2021	2020
Gross wages, salaries and benefits in kind	22,905	34,290
Employer's National Insurance costs	847	1,356
Employer's pension costs	823	967
	<hr/>	<hr/>
Total staff costs	24,575	36,614

Average number of staff employed by the Church and Circuit during the year were 2 (full time equivalents) (2020 – 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.

	2021	2020
5. Debtors		
Rent in arrears	18,279	44,839
Provision for bad debts	(9,545)	(28,436)
Other debtors	<u>3,344</u>	<u>2,872</u>
	<u>12,078</u>	<u>19,275</u>
6. Creditors		
Other creditors and accruals	<u>28,443</u>	<u>23,228</u>
	28,443	23,228

7. Fees for independent examination of the accounts

Independent examiner's fee for reporting on the accounts	1,850	2,500
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8. Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows:

	2021	2020
Aggregate compensation	<u>15,215</u>	<u>15,237</u>

One trustee, Chris Johnson, was paid £789 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 1.9.20	2,200,000	394,380	45,319	2,639,699
Additions				
Revaluation		5,620		5,620
Cost at 31.8.2021	<u>2,200,000</u>	<u>400,000</u>	<u>45,319</u>	2,639,699
Depreciation brought forward	-	-	36,199	36,199
Charge for the year	<u>-</u>	<u>-</u>	<u>3,040</u>	3,040
Depreciation carried forward 31.8.20	<u>-</u>	<u>-</u>	<u>39,239</u>	39,239
Net book value 31.8.21	2,200,000	400,000	6,080	2,606,080
Net book value 31.8.20	2,200,000	394,380	9,120	2,603,500

Name of Church HARLESDEN METHODIST CHURCH No. 1134517

Declarations and Scrutiny


I confirm that these accruals-based accounts for the year to 31 August 2021 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 24/06/2022

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

Presentation to the Church trustees

I confirm that the annual report and accounts for the year ended 31 August 2021 were/will be* presented to the meeting of the Church trustees held on 21/7/2022

Signature of the Chair of the meeting 

Name of the Chair of the meeting H. ELAINE JOSEPH Date 25/06/2022

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 2021 set out on pages ... to 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 Harlesden 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.

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 Ktistakis

Relevant professional qualification of independent examiner ACA, FCCA

Name of firm (where appropriate) GMAK Services Limited

Address 42 Crescent Lane

..... London Post Code SW4 9PU

Date 28 June 2022

* delete or circle as appropriate