

THE METHODIST CHURCH
STANDARD FORM OF ACCOUNTS
ACCRUALS BASIS
for the year ended 31 August 2024

London District	District no 35
Registered Charity - Registration number	1134871

District Chairs	The Revd Nigel Cowgill (To 31/08/2024)
	Revd Dr Jongikaya Zihle
	Revd Jonathan Dean (From 01/09/2024)
Synod Secretary	Mr John Logan
Presbyteral Synod Secretary	Revd Rosamund Hollingsworth
District Council Secretary	Ms Priyadarshini Rasanayagam
Treasurer	Mr George Kulasingham (To 20/03/2024)
	Mrs Ama Ackah-Yensu (From 20/03/2024)

THE METHODIST CHURCH - LONDON DISTRICT

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 AUGUST 2024

1 Objectives and Activities

1.1 Aims and organisation

The aims of the District are to advance the mission of the Church in the region, by providing opportunities for Circuits to work together and support each other, by offering them resources of finance, personnel and expertise which may not be available locally and by enabling them to engage with the wider society of the region as a whole and address its concerns. The District serves the Local Churches and Circuits and the Conference in the support, deployment and oversight of the various ministries of the Church and in programmes of training. Wherever possible the work of the District is carried out ecumenically.

The District Council constitutes the Leadership Team between meetings of the District Synod, with a Group of Officers acting as the managing trustees. The District Council set the policy for the District and delegate various tasks to sub-committees and officials to implement that policy and to report back.

1.2 The London District Vision

The London District of the Methodist Church currently comprises 15,000 members, 192 ministers, of which 121 are in active ministry, 214 churches and 32 circuits and their projects together with a number of educational institutions. We are a diverse group of people originating from many different cultures and communities who find ourselves worshipping and witnessing together in urban, suburban and more rural areas. We have come together in the belief that we are better together and our intention is to contribute to the well-being of each other, of this global city and the surrounding areas; and of the wider Methodist Church.

As the people, churches and projects of the London regional District of the Methodist Church our mission is:

To share the good news of Jesus Christ throughout Greater London and the surrounding areas and to improve the well-being of people and their communities by:

- Engaging pastorally and prophetically with the communities in which our churches are located and with the wider region
- Equipping and developing faithful and fruitful disciples and congregations
- Equipping and developing faithful and fruitful preachers and ordained ministers

The delivery of work in these areas is facilitated respectively by:

- the Social Responsibility Commission
- the Authorised Ministries Commission
- the Learning Network

1.3 The District ways of working include:

- Engaging in theological reflection and prayerful discernment which will help us to understand our mission more fully
- Building quality relationships across our circuits, with wider Methodism and with ecumenical, inter faith, and community groups
- Building quality relationships with civic and political authorities in the area covered by the District
- Seeking to communicate effectively and work collaboratively
- Living and working creatively with diversity and difference
- Deploying the resources over which we have stewardship effectively and flexibly
- Developing and sharing best practice

THE METHODIST CHURCH - LONDON DISTRICT

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

2 Review of progress and achievements

2.1 The London District Annual Report

The London District Annual Report is prepared and presented to the Representative session of the Spring District Synod each year. It gives full details of the activities of the Commissions and all the groups making up the Commissions and the core central resources. Please contact the District Office at the registered address for a copy of the Full Annual Report of Activities.

2.2 District Goals

Have been adopted by Synod:

1. To develop lay leadership – in breadth, depth, numbers and confidence.
2. To ensure that every Minister and Local Preacher is engaged in an intentional review and development of their ministry.
3. To increase participation in social and civic action by identifying and sharing good practice and promoting networks of practitioners - rooting such engagement in our Methodist identity.

It is clear that the goals by no means exhaust the wider remit of Commissions and other groups or embrace anything like the range of essential activities carried out in the name of the District. They are, however, intended to help us focus on the major developmental work that is seen to be key to the next phase of the District's life as it seeks to support the ministry and mission of the local churches and circuits and to engage with the wider context of London as a global city.

2.3 Achievements

Each body in the life of the District has been challenged and given the opportunity locally to respond to the District Goals within their own context. This has provided a focused strategy and has drawn on the things that are unique about being in London to engage with a particular issue, speak into the City, offering to the connexion and the world church. This has been achieved through our district theme "Woven" (God's Story & Our Faith Story woven into the fabric of our communities). Our focused theme fits in with the Evangelism & Growth strategy of the Methodist Conference and the JDS Strategy.

2.4 Plans for future years

We continue to review and develop our mission across the District by resourcing local churches and circuits to proclaim the good news of Jesus Christ through projects and training opportunities. In recognition of the importance of Safeguarding we continue to employ a Assistant Safeguarding Officer to work alongside our current District Safeguarding officer. We continue to work with the Regional Learning Network to support the life of the District and meeting the goals.

THE METHODIST CHURCH - LONDON DISTRICT

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

3 Financial Review

The District's income and expenditure is detailed in the SOFA on page 9.

A copy of the accounts for the year accompany this report. The managing trustees are responsible for the preparation of the accounts and consider that an audit is required.

The managing trustees have reviewed the amounts held in the various reserve accounts and, having regard to the commitments of the District to expand its activities and acquire appropriate equipment for its purposes, consider the reserves are adequate but not excessive.

The purposes of each individual fund under the control of the District is shown in note 17 of the notes to the accounts along with a summary of movements on each individual fund.

The general fund does not include the value of the two manses owned by the District. These are held in a separate fund for ease of management.

The London District continues to have the following principal sources of income:

- Assessments on circuits within the District for General District Expenses
- Levies on the Circuit Model Trust funds within the District - for the DAF
- Interest on Investments destined for individual restricted funds

3.1 Investment Policy

The investment of surplus funds is operated through the Central Finance Board (CFB) of the Methodist Church. CFB aims to provide a 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 District has its funds in a deposit account with CFB. The Restricted Funds are managed by Trustees for Methodist Church Purposes (TMCP). These funds are also invested with CFB. The Trustees liaise with the Tower Hamlets Circuit on the use of the City Centre funds for the benefit of the Tower Hamlets Circuit.

3.2 Reserves policy and level

3.2.1 The reserves maintained by the London District and their purposes are detailed in Note 17.

3.2.2 Reserves Policy

- General Funds (unrestricted)

The funds in the general fund at the end of the year are held as a reserve to cover for an irregular flow of expenditure. Historically, reserves equivalent to approximately six months annual expenditure was retained by the District. During the Covid-19 pandemic the District Council retained a lower level of reserves. The District Council is now increasing the level of reserves and now expect to retain between three and six months annual expenditure.

- Designated Funds (unrestricted)

The designated funds are earmarked for those purposes as detailed in Note 17 to the accounts.

- Restricted Funds

The restricted funds, as detailed in Note 17 to the accounts, are to be used exclusively for the purposes listed.

3.3 Collaborative arrangements with connected charities

The London District's main source of funding is the assessments obtained from each Circuit within the District. These assessments are generally based on the membership and staffing levels of the Circuits. The assessments are used to defray most of the cost of administering the District.

Each year the District is allocated a sum by the London Mission Fund (LMF). In the year this was £147,920. This amount is made available to the District Advance Fund committee to meet applications for grants as they see fit. Any grants are paid directly from the LMF and are not paid into the District funds.

The District also obtained from each Circuit with a reserve known as a Circuit Model Trust Fund (CMTF) a levy based on the size of the Circuits' CMTFs at the start of the connexional year (1st September). In the year this CMTF amount was £438,049.

The District receives quarterly from circuits within the district, each circuits' contribution to the Methodist Church Fund (MCF). These sums are collected as agent for the MCF and are passed to the MCF later in the same quarter. Funds received by the District as agent are not recognised as asset in the financial statements because the funds are not within its control. No fee is earned in respect of this agency arrangement and the District incurs no cost through this arrangement.

THE METHODIST CHURCH - LONDON DISTRICT

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

4 Trustees Responsibilities

For each financial year ending 31st August, the Trustees are required to prepare financial statements that give a true and fair view of the District's financial activities during the year and of its financial position at the end of the year. In preparing these financial statements, the Trustees must:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- observe methods and principles in the Charities SORP 2019 (FRS 102);
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 ensuring that sufficient accounting records are kept which disclose with reasonable accuracy at any time the financial position of the Methodist Church - London District and enables them to ensure that the financial statements comply with the law and Standing Orders of the Methodist Church.

They are also responsible for safeguarding the assets of the District and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

4.1 Risk Management

A Risk Register has been agreed by the District Council. The register documents the various risks considered by the council to be facing the District, the potential impact of those risks and the likelihood of the issues happening. It is reviewed annually. The headings under which these risks are being categorised include:

- Governance Risks including Trustees' Responsibilities
- Operational Risks including Resources, People and Property
- Financial Risks
- External Risks and Legal Risks

THE METHODIST CHURCH - LONDON DISTRICT

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

5 Structure, governance and management

5.1 Structure

The London District is an unincorporated association and is governed by the Methodist Church Act 1976, the deed of Union and the Model Trust Deeds of the Methodist Church. It was registered with the Charity Commissioners on 12th March 2010.

Circuits are the coordinating charities for local groups of churches; circuits pay the stipends of the ministers and employ lay staff to serve the churches in the circuit; most decisions are made at or ratified by the circuit meetings. A District is the coordinating charity for a group of contiguous circuits and makes its decisions at half yearly synods. The Methodist Conference meets once each year as the supreme denominational body for all Methodist Churches.

- 1 Overall regulatory authority rests with the Methodist Conference.
- 2 The Connexional office implements decisions made by Conference and is also responsible for the stationing of presbyters and deacons (collectively known as ministers) in individual Circuits within the District.
- 3 Connexional decisions are passed to the Chair of the Districts and the appropriate officers of the District for implementation.
- 4 The District passes control down to circuit level for local implementation by the Superintendent Minister, ministerial staff and circuit Stewards, and authority is delegated to the Circuit Meeting for certain matters.
- 5 The Circuit Meeting passes regulatory control down to church councils for local implementation by the presbyter, the Church Stewards, and other officers, and this regulatory authority is then exercised by church councils as Managing Trustees of their charity.

5.2 Purpose of the District

The District is an expression, over a wider geographical area than a Circuit, of the Connexional character of the Church. The purposes of the Methodist church are and shall be deemed to have been since the date of the union the advancement of:

- a the Christian faith in accordance with the doctrinal standards and the discipline of the Methodist Church, and
- b any charitable purposes for the time being of any connexional, District, Circuit, local or other organisation of the Methodist Church, and
- c any charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church, and
- d any purpose for the time being of any charity being a subsidiary or ancillary of the Methodist Church.

The primary purpose of this District is to advance the mission of the church in London by:

- 1 providing opportunities for Circuits to work together and support each other
- 2 offering to Circuits resource of finance, personnel and expertise.

The District serves the Local churches and Circuits and the Conference in the support, development and oversight of the various ministries of the church, and in programmes of training.

5.3 Governance

The District operates within a statutory framework of regulation and seeks to ensure that it follows Methodist Standing Orders. It relies on the Connexional Office at 25 Tavistock Place, London WC1H 9SF to provide guidance on changes that could affect the District.

The members of the District Policy Committee (DPC), known in the London District as the District Council, are annually appointed by a vote of the Synod for a continuous term not normally exceeding six years. One of the chairs of the London District is ex officio chair of the District Council. When a position becomes vacant on the District Council, nominations are invited from ministers and lay members of Circuits within the District. The Chair of the District then shares with nominees what the roles involve. If they wish to be considered for a role, their names and reasoned statements are taken to the District Council and the District Synod for appointment. Members may be either ministers or lay people attending churches in the area covered by the District.

THE METHODIST CHURCH - LONDON DISTRICT

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

5.4 Responsibility of the District Council

- i to formulate and promote policies which will advance the mission of the Church in the Circuits and Local Churches and, in particular, to supervise the use of resources of personnel, property and finance and to assist Local Churches and Circuits having exceptional problems
- ii to encourage inter-Circuit and ecumenical co-operation
- iii to act in an executive capacity in matters remitted to the Committee by the Synod
- iv to keep within its purview all District concerns not dealt with elsewhere
- v to contribute and respond, as the case may be, to the development of Connexional policies as reflected in the work of the Conference and the Methodist Council, and to carry out its other responsibilities with any such development in mind
- vi to be aware that the stipend of the Chair of the District is set – currently by reference to the change over a year in the Consumer Price Index and to the annual change in the Average Weekly Earnings Index – using a formula that was agreed by the Methodist Conference for all ministers within the Connexion
- vii constantly to be aware of the public benefit guidance issued by the Charity Commission

5.5 The London District Council

The London District meets between 3 and 5 times a year to deal with routine and exceptional matters. It seeks to think strategically about the work of the District and carry out administrative matters for the District between Synods. Its key functions have been:

- to encourage the District to meet the District Vision, and enable the District to achieve the District Goals
- to monitor the life and mission of the whole District
- to identify and advocate strategic policy directions
- to coordinate the initiatives of the Commissions and others
- to oversee formal consents, authorisations and approvals
- to ensure essential appointments are made and compliances met

5.6 Public Benefit Requirement

The trustees 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.

THE METHODIST CHURCH - LONDON DISTRICT

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

6 Reference and Administration Details

- 6.1 The full name of the Charity is the London District of the Methodist Church "the London District".
- 6.2 The London District is registered as a charity with the Charity Commission in England and Wales. The organisation's Charity No is 1134871.
- 6.3 The address of the District for correspondence is District Office, Methodist Central Hall Westminster, Storey's Gate, Westminster, London SW1H 9NH. The name of the person to whom correspondence should be addressed is Revd Dr Jongikaya Zihle a District Chair.
- 6.4 The trustees that served during the year were:
Revd Nigel Cowgill, Revd Dr Jongikaya Zihle , Mr John Logan, Mr George Kulasingham (till 20th March 2024) , Revd Faith Nyota, Revd Andrew Dart (till 29th March 2024), Revd Rosamundz Hollingsworth, Mrs Nancy Acquaaah, Mr George Noi-Lartey, Ms Priyadarshini Rasanayagam, Deacon Katherine Johnson, Revd Michael Long (from 8th December 2023) and Mrs Ama Ackah-Yensu (from 20th March 2024).

For the purposes of Model Trusts under the Methodist Church Standing Order 966, the District trustees who served during the year as trustees of district property were:

Revd Nigel Cowgill, Revd Dr Jongikaya Zihle, Mr George Kulasingham (till 20th March 2024), Ms Priyadarshini Rasanayagam , Revd Rosamund Hollingsworth, Revd Faith Nyota and Mrs Ama Ackah-Yensu (from 20th March 2024).

- 6.5 The District's Bankers are: CAF and the Central Finance Board of the Methodist church "CFB".
- 6.6 Investments managed by the District are held by Trustees for Methodist Church Purposes "TMCP".
- 6.7 **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.

- 6.8 **Auditors**
Trustees considered it prudent to periodically review / retender for the audit work where possible in line with the Methodist 6 year general guideline.

Approval

The report was approved by the trustees 28 January 2025 and signed on their behalf by:



.....
Revd Dr Jongikaya Zihle
District Chair

THE METHODIST CHURCH - LONDON DISTRICT

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	General Fund (Unrestricted)	Designated Funds (Unrestricted)	District Advance Fund (Designated)	Other Funds (Restricted)	Endowment Funds	Total 2023-24	Total 2022-23
		£	£	£	£	£	£	£
	Incoming Resources							
1	Donations & Legacies	-	-	-	483	-	483	1,868
2	Charitable activities	-	-	-	-	-	-	-
3	Interest and Investment Income	29,305	10	104,631	106,694	2,784	243,424	153,312
4	Other income	3.1 40	33,440	16,811	-	-	50,291	54,123
5	Assessment on Circuits	3.3 242,873	-	-	-	-	242,873	310,035
6	Contributions from Circuit Model Trust Funds	-	-	438,049	-	-	438,049	379,760
7	Connexional Advance & Property Fund	-	-	167,682	-	-	167,682	59,984
8	Contribution to cost of chair	97,709	-	-	-	-	97,709	90,178
9	Capital Receipts	3.2 -	-	-	978,332	-	978,332	-
10	Grants (including tfrs from DAF & General Fund)	4.2 -	61,645	-	-	-	61,645	211,534
11	Manse Rent Received	-	-	-	-	-	-	-
12	Total Incoming Resources	369,927	95,095	727,173	1,085,509	2,784	2,280,488	1,260,794
	Resources Expended							
13	Grants and Donations committed in year	5.1 3,655	34,237	434,875	212,115	-	684,882	581,188
14	Salaries and associated costs	6 253,908	86,484	-	-	-	340,392	382,348
15	Property (incl Ins., C tax, utilities etc)	7 38,715	58,246	-	-	-	96,961	149,227
16	Office Expenses (Admin., tel. travel etc.)	21,109	12,235	-	-	-	33,344	23,242
17	Synods, committees, Conference, etc	9,900	-	-	-	-	9,900	9,823
18	Depreciation	9 1,383	19,200	-	-	-	20,583	21,213
19	Training	8 866	831	-	-	-	1,697	2,325
20	Other Expenditure	8 17,624	4,553	4,389	6,192	204	32,962	35,558
21	Capital levy	3.2 -	-	-	367,333	-	367,333	-
22	Audit and Accountancy fees	19 10,566	-	-	-	-	10,566	10,105
23	Manse loan interest	-	-	-	-	-	-	-
24	Capital Expended	-	-	-	-	-	-	-
25	Total Resources Expended	357,726	215,786	439,264	585,640	204	1,598,620	1,215,029
26	Net Incoming/(Outgoing) Resources	12,201	(120,691)	287,909	499,869	2,580	681,868	45,765
27	Transfers between funds	(69,416)	38,621	18,795	12,000	-	-	-
28	Sub Total	(57,215)	(82,070)	306,704	511,869	2,580	681,868	45,765
29	Gains/(losses) on disposal of Investment assets	-	-	-	44,618	-	44,618	-
30	Gains/(losses) on revaln fixed assets	-	-	-	-	-	-	-
31	Gains/(losses): on investment assets	-	-	-	(13,747)	4,331	(9,416)	(163,393)
32	Net investment in funds	(57,215)	(82,070)	306,704	542,740	6,911	717,070	(117,628)
33	Total funds brought forward from last year	190,101	1,862,180	720,114	2,188,128	71,677	5,032,200	5,149,828
34	Difference	-	-	-	-	-	-	-
35	Total funds carried forward at end of year	132,886	1,780,110	1,026,818	2,730,868	78,588	5,749,270	5,032,200

For information only: Money received and passed on to External Organisations

Balance brought forward from last year

Offerings/Gifts - received for External Organisations

Offerings/Gifts - passed to External Organisations

Balance still to be paid

-	-
-	-
-	-
-	-

The notes on the following pages form part of these accounts.

THE METHODIST CHURCH - LONDON DISTRICT

BALANCE SHEET

AS AT 31 AUGUST 2024

	Notes	General Fund (Unrestricted) £	Designated Funds (Unrestricted)	District Advance Fund (Designated) £	Other Funds (Restricted) £	Endowment Funds £	Total 2024 £	Total 2023 £
Tangible Fixed Assets								
Manse and other property	9	1,348	1,647,457	-	-	-	1,648,805	1,668,757
Investment properties		-	-	-	-	-	-	-
Investments with TMCP		-	-	-	1,379,387	51,066	1,430,453	1,395,251
Total fixed assets		1,348	1,647,457	-	1,379,387	51,066	3,079,258	3,064,008
Current Assets								
Debtors and Prepayments	10	17,850	-	7,963	-	-	25,813	45,530
Loans by the District	10	-	-	40,000	-	-	40,000	-
Trustees for Methodist Church Purposes - Interest Accounts	11	-	193	1,852,571	1,323,039	27,522	3,203,325	2,377,355
Central Finance Board Deposits	12	-	132,460	-	28,442	-	160,902	223,012
Cash at Bank and in hand	12	139,521	-	-	-	-	139,521	165,893
Total current assets		157,371	132,653	1,900,534	1,351,481	27,522	3,569,561	2,811,790
Current Liabilities								
Creditors (due in under 1 year)	13	25,833	-	-	-	-	25,833	16,657
Grants Payable within 1 year	5	-	-	659,864	-	-	659,864	708,936
Total current liabilities		25,833	-	659,864	-	-	685,697	725,593
Net current assets		131,538	132,653	1,240,670	1,351,481	27,522	2,883,864	2,086,197
Total assets less current liabilities		132,886	1,780,110	1,240,670	2,730,868	78,588	5,963,122	5,150,205
Long term liabilities (due after more than one year)								
Grants Payable after 1 year	5	-	-	213,852	-	-	213,852	118,005
Loans to the District		-	-	-	-	-	-	-
Other liabilities due after 1 year		-	-	-	-	-	-	-
Net assets		132,886	1,780,110	1,026,818	2,730,868	78,588	5,749,270	5,032,200
Funds of the District								
General Fund (Unrestricted)	17	132,886					132,886	190,101
Projects (Designated)			1,780,110				1,780,110	1,862,180
District Advance Fund (Designated)				1,026,818			1,026,818	720,114
Total Unrestricted funds							2,939,814	2,772,395
Other Funds (Restricted)					2,730,868		2,730,868	2,188,128
Endowment Funds						78,588	78,588	71,677
Total Funds		132,886	1,780,110	1,026,818	2,730,868	78,588	5,749,270	5,032,200

The Notes on following pages form part of these accounts.

Approved by the managing trustees on 28 January 2025 and signed on their behalf by:



Revd Dr Jongikaya Zihle
District Chair

THE METHODIST CHURCH - LONDON DISTRICT

STATEMENT OF CASH FLOWS

AS AT 31 AUGUST 2024

	Total Funds £	Prior year funds £
Cash flows from operating activities:		
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	717,070	(117,628)
Adjustments for:		
Depreciation charges	20,583	21,213
(Gains)/losses on investments and fixed asset revaluation	9,416	163,393
Dividends, Interest and rents from investments	(243,424)	(153,312)
Loss/(profit) on the sale of fixed assets	(44,618)	-
(Increase)/decrease in stocks	-	-
(Increase)/decrease in debtors	(20,283)	(6,929)
Increase/(decrease) in creditors	55,950	151,291
Net cash provided by (used in) operating activities	494,694	58,028

Cash flows from investing activities:		
Dividends, interest and rents from investments	243,424	153,312
Proceeds from the sale of property, plant & equipment	-	-
Purchase of property, plant and equipment	(630)	(2,785)
Proceeds from sale of investments	1,020,323	-
Purchase of investments	(1,020,323)	-
Net cash provided by (used in) investing activities	242,794	150,527

Cash flows from financing activities:		
Repayment of borrowing	-	-
Cash inflows from new borrowing	-	-
Receipt of endowment	-	-
Net cash provided by (used in) financing activities	-	-

Change in Cash and Cash equivalents in the reporting period	737,488	208,555
Cash and Cash equivalents at the beginning of the reporting period	2,766,260	2,557,705
Change in Cash and Cash equivalents due to exchange rate movements	-	-
Cash and Cash equivalents at the end of the reporting period	3,503,748	2,766,260
Cash in hand (at bank,- HSBC,CFB, TMCP)	3,503,748	2,766,260
Notice deposits (less than 3 months)	-	-
Overdraft repayable on demand	-	-
Total cash and equivalents	3,503,748	2,766,260

THE METHODIST CHURCH - LONDON DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting framework and accounting policies

i Accounting framework

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

ii Basis

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s) below.

These accounts have been prepared on the basis of historical cost except that investments and land and buildings are shown at their market value at the end of the year, and grants committed, but not paid are provided on the accruals basis to show a true and fair view of the District's financial position and activities.

iii Content

The financial information presented is relevant, reliable, comparable and complete. Where estimates are used these are based on experience, research and judgement. The accounts are expressed in £Sterling, rounded to the nearest pound.

iv FRS102 SORP 2019

To ensure a closer compliance with the FRS102 2019 a further policy change has been made to the treatment of undrawn grants from the District Advance Fund, (DAF).

These accounts are compliant with FRS102 and with the FRS102 SORP 2019.

v Going concern

The District has reported net incoming resources for the year ended 31 August 2024 but a deficit has occurred for unrestricted funds. In arriving at their conclusion for going concern, the Trustees have given due consideration to budgets prepared including reasonable estimates of upcoming income and expenses. At the time of approving the accounts, the Trustees have a reasonable expectation that the District 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 accounts.

vi Consolidation

The District oversees the work of ministers and lay workers in Churches and Circuits within the District, but does not have control over those Circuits or Churches, ministers or lay workers except in accordance with standing orders of the Methodist Church 1932 Act, none of which were applicable. For this reason, the financial statements of the Churches and Circuits within the District are not consolidated into these financial statements.

THE METHODIST CHURCH - LONDON DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2024

vii Income recognition

Income is brought into account when it is more likely than not that the economic benefit of the income will accrue to the District. No attempt is made to measure the value of services donated by volunteers. Details of how the contribution to the cost of the District Chair has been determined appears in Note 4.1. A similar figure appears in the Expenditure at Note 6.

Individual amounts categorised as *Other income* in the SOFA will be shown separately if they are considered material.

The District acts as agent in the following matters:

1. the collection of quarterly assessments from circuits which are paid to the Methodist Church Fund
2. the payment of expenses of delegates from the District to the Methodist Conference
3. the cost of ministerial health checks recovered from Circuits.

In all these matters the transactions are not reflected in the SOFA because there is no obligation on the District to make up any shortfall in assessments from Circuits. Sums received as Circuit assessments cannot be recognised as income in the District as they are the income of the MCF.

In accordance with the Charities SORP (FRS 102), the time of volunteers is not recognised.

viii Expenditure

This is recognised 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 District to pay out resources.

ix Grants

From 2016-17 all grants committed to a specific project will be included as grant liabilities. The exceptions being grants which are older than 6 years and are unlikely to be drawn down from the DAF and funds earmarked for potential grants, e.g. to facilitate an emergency response. These undrawn grants may be cancelled by the DAF committee and the funds released back to available funds for reallocation. Until these grants are agreed as cancelled, the funds will be treated as Contingent Liabilities.

x VAT

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

xi Tangible fixed assets

These are capitalised if they can be used for more than one year, and individually cost at least £500. The freehold properties are shown in the accounts at market valuation at the end of the financial year. The building value has been depreciated over a period of 50 years.

THE METHODIST CHURCH - LONDON DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2024

xii Investments

The investments of the District are held by the Trustees for Methodist Church Purposes (TMCP) as custodian trustees. The valuations, at market value, are those provided by TMCP. The unrealised gains arising on investments at the end of the year are shown in the SOFA and in Note 17.

xiii Debtors and creditors; bank and cash

Debtors are stated at the amounts owed to the District or prepaid. Creditors are initially recognised at settlement amount after any trade discounts, where normal credit terms apply, or amount advanced to the District. Subsequently creditors that are current liabilities are measured at the cash or other consideration expected to be paid. The liquid funds of bank balances and deposit account balances are shown at the realisable values.

xiv Loans

Where concessionary loans (*i.e.*, free of interest) are made to (or received by) the District to further its charitable purposes, and are repayable after more than one year, they are initially recognised at the amount paid [or received], with the carrying value adjusted in subsequent years to reflect repayments and any accrued interest, adjusted for any impairment, if necessary.

Where there is objective evidence of impairment, an immediate impairment loss is recognised in the Statement of Financial Activities. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in the Statement of Financial Activities.

xv Methodist Church Fund

The District acts as agent for the Methodist Church Fund (MCF) by collecting its assessments on Circuits and does not, therefore, include the assessments in the SOFA. If a Circuit is late in paying its MCF assessment to the District but such sum is received before the quarterly transfer to the MCF, the amount paid late will be shown as a debtor in the District's accounts.

xvi Ministers' manse costs

The District is required to provide accommodation for each Minister and his / her family. The District bears the cost of repairs, maintenance, building insurance, Council Tax and water charges. These costs are not shown separately as benefits-in-kind for Ministers as HMRC does not seek to tax these receipts in the hands of the Ministers.

THE METHODIST CHURCH - LONDON DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2024

2 Interest & Investment Income

The market valuations for Trusts holding not cash investments have been provided by TMCP.
Other funds are held on deposit at CFB or in the current accounts at CAF or HSBC.

2.1	Interest Received	Fund Type	Held at	2023-24	2022-23
	General Fund	U	CFB	29,305	16,024
	Manse Fund	D	TMCP	10	1,839
	District Advance fund	D	TMCP	104,631	57,605
	Pastoral & Benevolent Fund	R	CFB	171	129
	Tower Hamlets - Trustee A/C	R	TMCP	40,286	26,518
	Jean Richardson Endowment	E	TMCP	1,372	754
Total Interest & Investment Income				243,424	153,312

2.2	Dividend Income Received	Fund Type	Held at	2023-24	2022-23
	Tower Hamlets - Trustee account	R	TMCP	66,237	49,003
	Jean Richardson Endowment	E	TMCP	1,412	1,440

3.1 Other income

The District does not undertake fundraising.
Contributions are received from organisations and individuals towards various activities organised by, with or through the District e.g. conferences, training, chaplaincy etc. Those contributions in the year consisted of :

	Fund Type	2023-24	2022-23
		£	£
Towards Chaplaincy (City University)	G	33,390	36,750
District Youth Work	G	-	300
Mission in Britain	D	16,811	17,073
Other income	G	90	
		50,291	54,123
District Advance Fund		-	-
		50,291	54,123

3.2 Capital receipts

During the year, Tower Hamlets Circuit sold former manse, 2A Stepney Green. Proceeds of sale amounted to £978,332, out of which a levy of £367,333 has been paid for the Connexional Advance and Priority Fund to support mission around the Connexion. The money to purchase the manse had originally come from the East End Mission Fund and so the sales proceeds have been lodged in Trust 20520.

THE METHODIST CHURCH - LONDON DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2024

3.3 Assessment from Circuits

All Circuits (see list given below in this note) have paid their assessments to the District and to the MCF. An assessment on Circuits is annually determined by Districts by reference to the number of staff in the Circuits and the number of Church members but may also take into account a Circuit's ability to pay. Circuits in the District are as follows:

Circuit No	Circuit Name	2023-24	2022-23
		Assessments From Circuits	
35/01	City Road	56,612	54,960
35/02	West London Mission	52,828	51,288
35/03	Westminster	44,464	43,168
35/04	Chelsea, Hammersmith & Fulham	27,664	26,856
35/05	Battersea and Wandale Valley	59,792	58,048
35/06	Lambeth (merged with Clapham 2022-23)	77,676	75,412
35/07	Southwark & Deptford	101,556	98,596
35/09	Tower Hamlets	22,576	21,916
35/10	Hackney & Stoke Newington	44,568	43,268
35/11	Islington and Camden Mission	21,744	21,108
35/12	LM - North West	31,868	30,936
35/13	Harlesden	19,496	19,352
35/14	Notting Hill	12,028	11,676
35/20	Newham	36,152	35,096
35/22	New River	94,080	91,336
35/23	Wembley	34,084	33,088
35/24	Ealing Trinity	50,000	48,540
35/25	Richmond & Hounslow	37,964	36,856
35/26	Wimbledon	26,604	25,828
35/28	Blackheath & Crystal Palace	47,740	46,348
35/30	Lesnes Abbey	47,701	43,807
35/31	Barking, Dagenham & Ilford	54,332	52,748
35/32	Romford	53,692	52,128
35/33	Forest	82,636	80,228
35/34	Enfield	79,780	77,456
35/35	Barnet & Queensbury	49,532	48,088
35/36	Harrow & Hillingdon	105,860	102,776
35/37	Teddington	30,868	29,968
35/38	Kingston upon Thames	35,556	34,520
35/39	Sutton	61,832	60,028
35/40	Purley	26,564	25,788
35/41	Croydon	65,608	63,696
35/42	Bromley	29,448	28,588
35/43	Orpington & Chislehurst	49,192	47,756
		<u>1,672,097</u>	<u>1,621,251</u>

Contribution to Methodist Church Fund (MCF)

In addition to the assessments on the Circuits to help defray the costs of running the District, the District acted as agent for the Methodist Church Fund which levied assessments on the Circuits in this District all of which were collected or shown as debtors at the end of the year and paid over to the MCF in the year. No balance was held at the end of the year; no fee is received for this service which is performed at nearly nil cost to the District. These sums collected for and remitted to the MCF do not appear elsewhere in these financial statements.

Total Methodist Church Fund assessments levied on circuits in the year

Assessment of Circuits towards London District Expenses

2023-24	2022-23
1,429,224	1,311,216
242,873	310,035

THE METHODIST CHURCH - LONDON DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2024

4.1 Cost of Chair and trustees

The Chair of District chairs meetings of the District Policy Committee (DPC). The members of the DPC are the trustees of the District. The stipend, employer's NIC and employer's pension contributions of the Chair of District are paid by the Methodist Connexion. The Chair's other costs are met mostly by the District.

Since the stipend-related costs above are borne by the Connexion, they appear both in the Income of the District and the Expenditure of the District.

It should be noted that the District Chairs are required to occupy the District manses. Two manses are provided and maintained by the London District alone. The third manse is owned by the London Committee fund and the cost of maintenance is shared between the London District and the London Committee. The value of the council tax and water charges paid for a minister by the District is not included as HMRC does not regard this as a taxable benefit to the minister.

No accrual is made for the Chair's entitlement to a sabbatical as his / her functions are undertaken by other District Chairs or delegated persons at minimal extra cost to the District.

Payment to Trustees

It is District policy to offer to reimburse members of the District Council and others involved in the administration of District affairs for expenditure properly incurred in carrying out their duties. The Chair of the District undertakes the primary executive role within the District. Apart from the Chair of District no member of the District Council was in receipt of any payment for work undertaken on behalf of the District, although certain travelling and administration costs were reimbursed whenever this was requested. None of the trustees is an employee of the District.

4.2 Grants to Direct District Projects / Funds

	2023-24	2022-23
The Annual budget allows for a contribution from the general fund to the Benevolent fund. This is not treated as a transfer but a grant.	-	-

The District Advance Fund committee awarded grants to the following projects managed directly by the District. The following grants were awarded in the year. These are not treated as transfers, but as external payments. Being reflected in DAF payments and in the individual fund income as Grants Income received.

Project	DAF Grants Paid to District Accounts	2023-24	2022-23
(D) District youth work		-	50,000
(D) District Chaplaincy grant		7,000	7,000
(D) New Community Church Project		-	15,000
(D) ADSO Grant		38,645	24,534
(D) CRM Grant		-	16,000
(D) HIV Chaplaincy grant		6,000	44,000
(D) Warm Space grant		-	20,000
(D) Emergency Response grant		-	30,000
(R) Circuit Support Income grant		-	5,000
(D) CDiM grant		10,000	-
Total		61,645	211,534

THE METHODIST CHURCH - LONDON DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2024

5.1 Grants, donations and related support costs

The accounts show all grants committed to date and likely to be paid, analysed as liabilities either due in one year or after one year. Only DAF commitments made in the year are shown in expenses for the year. These are shown below. A breakdown of forward Grants committed is shown in section 5.2.

	2023-24	2022-23
Unrestricted:	£	£
DAF Payments		
- Committed in year and paid in current year	102,291	60,000
- Committed in year for payment in future years	507,084	440,309
- Unspent grant refunded (5 Projects)	(182,500)	(88,369)
- Reclaimed grant-2023 paid in 2024	8,000	-
Emergency Rapid Response Fund	600	30,000
CDiM Grant	1,937	1,214
3 Generate Coaches	3,700	500
District Youth Enablement	-	5,950
Warm Space Grant	-	8,000
HIV Chaplaincy	28,000	22,000
	469,112	479,604
Other grant	3,655	3,548
Sub total	472,767	483,152
Restricted:		
- Pastoral and Benevolent	4,850	500
- City Centre Tower Hamlets Trust to Tower Hamlets Circuit	200,365	92,536
- Inter Circuit Support	6,900	5,000
Sub total	212,115	98,036
Total	684,882	581,188

THE METHODIST CHURCH - LONDON DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2024

5.2 Grants committed but not paid

DAF Future Commitments

Grants from the District Advanced Fund are usually paid when documentary evidence is received that the project is going ahead, e.g. a contract for the worker for a mission project. Grant payments for second and subsequent years are paid when acceptable reports are received indicating that the funds are being spent in line with the grant application and that the project is continuing.

Now only those grants which have not been taken up in the last 6 years are treated as Contingent liabilities. It is possible that they will not be taken up and will be released back to the funds for reallocation.

DAF Future Commitments	23-24 Accounts - DAF Commitments	22-23 Accounts - DAF Commitments
Year Grants to be paid	31/08/2024	31/08/2023
23-24		708,936
24-25	659,864	118,005
25-26	148,177	
26-27	50,675	
27-28	15,000	
Contingent Liabilities (Grants identified as less likely to be taken up)	-	-
Total future commitments	873,716	826,941
DAF Fund EOY	1,026,818	720,114

6 Salaries and associated costs

	2023-24	2022-23
	£	£
Gross salaries paid to 4 full time and 4 part time employees were as follows:		
Gross pay	227,040	250,188
Employer's National Insurance contribution	22,102	22,543
Employer's pension contribution to defined contribution scheme	20,681	19,439
Total cost for staff members	269,823	292,170
Refund from pension fund	(27,140)	-
Cost of 2 District Chairs	97,709	90,178
Total staff costs	340,392	382,348

No employees received employee benefits that totalled more than £60,000. There is no accrual for holiday pay as it is immaterial; the holiday year ends on 31 December. All staff are paid at or above the London living wage.

Two of the full time employees were engaged exclusively in safeguarding matters. The District Stipend costs also includes a Chaplaincy. The main focus for the Chaplaincy is City University, which funds the majority of the work.

Two part time employees provided administration assistance at the District office. One full time employee dedicates part of the week to administration assistance.

THE METHODIST CHURCH - LONDON DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2024

Pensions

Most ordained presbyters and deacons are members of the Methodist Ministers' Pension Scheme (MMPS). This is a defined benefit scheme. The Supreme Court held in 2014 that Methodist ministers (which term includes presbyters and deacons) are not employees of the Church. For simplicity, however, when dealing with National Insurance Contributions and pension contributions, the terms 'employer' and 'employee' are used as they would be in an employing body.

Following a recovery plan for the MMPS deficit, the scheme is now in a secure position and was able to refund the voluntary contribution with interest.

Lay employees are contractually employees and have the option of joining The Pensions Trust. Those contributing to the pension scheme contribute 6% of gross salary and the London District contributes the same amount of 6% of gross salary.

7	Property costs	2023-24	2022-23
		£	£
	District office, rent and services	23,367	22,238
	Manse repairs and redecoration	2,549	1,050
	Manse and office Insurance, utilities etc	13,093	10,832
	Manse refurbishment	57,952	115,107
	Total	96,961	149,227

8	Other Expenditure	2023-24	2022-23
		£	£
	Professional fees	1,750	10,380
	Ecumenical grants	3,734	2,630
	Investment management	10,750	10,838
	Training and resources	1,697	2,325
	Miscellaneous expenses	6,947	4,590
	Removal costs	6,936	-
	Miscellaneous office expenses	2,845	7,120
	Total	34,659	37,883

THE METHODIST CHURCH - LONDON DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2024

9 Manse and other property

At the start of the financial year the District owned two manses freehold at Brunswick Quay and Oakington Avenue. The historical cost and subsequent revaluation are as follows:

- The Bruswick Quay Manse was acquired by the District in 2007 at value of £440,000. Work of £27,965 was carried out in 2008. The Brunswick Quay manse was independently valued in September 2016 by - P L W Morgan, of Morgans chartered Surveyors, 28 Sundridge Avenue Bromley BR1 2PX. Using evidence from the sale of comparable local properties updated in accord with the Land Registry House Price index for the London Borough of Southwark, Mr Morgan considered the open market value to be £955,000 including land value of £400,000. The trustees consider this to be a fair value at 31 August 2024 considering current market conditions.

The Oakington Avenue manse was valued in April 2014 by Jeremy Taylor of Wenlock & Taylor Ltd, 97 Chamberlayne Road London NW10 3NN. The total property was valued at £850,000, the reinstatement cost £350,000, the Land value £500,000. Considering the advertised prices of equivalent properties in the local area a reasonably conservative value for the property by the trustees at 31 August 2024 would be £900,000.

Total Tangible Fixed Assets

	Land	Buildings	Total Land & Buildings	Equipment & IT	Furniture	Total Equipment & Furniture	Total Assets
Cost or valuation	£	£	£	£	£	£	£
Balance at 31st Aug 2023	900,000	955,000	1,855,000	18,976	4,748	23,724	1,878,724
Additions in the year	-	-	-	630	-	630	630
Revaluations in the year	-	-	-	-	-	-	-
Less: disposals in year	-	-	-	(745)	-	(745)	(745)
Transfers between categories	-	-	-	-	-	-	-
Balance at 31st Aug 2024	900,000	955,000	1,855,000	18,861	4,748	23,609	1,878,609
Accumulated depreciation							
Cost or Valuation	Land	Buildings	Total Land & Buildings	Equipment & IT	Furniture	Total Equipment & Furniture	Total
Changes	£	£	£	£	£	£	£
Balance at 31st Aug 2023	-	188,443	188,443	16,776	4,748	21,524	209,967
Depreciation charge for the year	-	19,100	19,100	1,482	-	1,482	20,582
Revaluations in the year	-	-	-	-	-	-	-
Less: disposals in year	-	-	-	(745)	-	(745)	(745)
Balance at 31st Aug 2024	-	207,543	207,543	17,513	4,748	22,261	229,804
NB: Years over which value is depreciated							
		50		3	3		
Net Value							
	Land	Buildings	Total Land & Buildings	Equipment	Furniture	Total Equipment & Furniture	Total
	£	£	£	£	£	£	£
Balance at 31st Aug 2023	900,000	766,557	1,666,557	2,200	-	2,200	1,668,757
Balance at 31st Aug 2024	900,000	747,457	1,647,457	1,348	-	1,348	1,648,805

THE METHODIST CHURCH - LONDON DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2024

10 Debtors and prepayments

	2023-24	2022-23
	£	£
Trade debtors		
The London Mission Committee and others	574	24,700
Total	574	24,700
Prepayments and accrued income		
Stipend	3,354	3,855
Grant Payable (3 Generate)	-	1,750
CRB Subscription	410	410
Deposit for probation retreat (2024)	-	950
Christian Conference Trust - deposit on Supers residential 2025	1,800	-
Assessment - Harlesden (Quarter 4)	4,712	-
Chaplaincy services QE Nov24	7,000	7,000
Other sundry debtors	7,963	6,865
Total	25,239	20,830
Other debtors due > 1 year		
Loan paid to Harlesden MC for repairs (Repayable in 2 years)	40,000	-
Total	40,000	-
Total (net)	65,813	45,530

11 Trustees for Methodist Church Purposes

The funds that support the District Advance Fund, and Manse Reserve Fund are held by TMCP in Trustees Interest Funds on which interest is credited to the accounts each month. These are regarded as medium and long term investments.

The Tower Hamlets City Centre Trust consists of a small number of investment funds plus a Trustees fund. These are regarded as medium and long term investments. Interest and Dividends received less TMCP administration fees are paid to The Tower Hamlets Circuit as a grant towards their mission projects work.

TMCP is the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds. Trust property is held for and on behalf of local Managing Trustees who are responsible for the day to day management of trust property. TMCP ensure that, through providing guidance and acting under their direction, the Managing Trustees comply with charity law and Methodist law and policy as determined by the Methodist Conference.

12 Central Finance Board (CFB) and cash at bank

The District has an account at the CAF (Charities Aid Foundation), to facilitate online banking with dual authorisation. CAF is an authorised institution. The sums held on the account is immediately available.

In addition, the District has two common deposit accounts at CFB. Interest is earned on these CFB accounts and credited monthly; the sums deposited can be withdrawn without notice and without loss of interest. These sums are viewed as being liquid.

THE METHODIST CHURCH - LONDON DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2024

13 Creditors and accrued expenses

	2023-24	2022-23
Creditors:	£	£
Expenses reimbursement	-	-
Audit fees	8,376	7,975
Accountancy fees	2,190	2,130
Accounts payable	15,267	6,552
Total creditors	25,833	16,657
Accruals:		
Deferred income for grants	-	-
Deferred income for activity next year	-	-
Total accruals	-	-
Total of creditors and accrued expenses	25,833	16,657

Maturity analysis of basic financial instruments

	Accrued at 1st Sep 2023 £	Used in year £	Accruals made this year £	Accrued at 31 Aug 2024 £
Expenses reimbursement	-	-	-	-
Audit fees	7,975	7,975	8,376	8,376
Accountancy fees	2,130	2,130	2,190	2,190
Accounts payable	6,552	(1,715)	7,000	15,267
Total costs	16,657	8,390	17,566	25,833

It is expected that all sums accrued at 31 August 2024 would be paid during the year to 31 August 2025.

THE METHODIST CHURCH - LONDON DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2024

14 Capital commitments and contingent liabilities

14.1 Capital commitments at end of year amounted to:

2023-24	2022-23
-	-

14.2 Contingent liabilities amounted to:

For Further information See Note 5 DAF commitments

2023-24	2022-23
-	-

15 Volunteer contributions

Every entity (Connexion, District, Circuit, Church) within the Methodist Church in GB is heavily reliant on volunteers who contribute their skills, time and money in the furtherance of the work of the Church. For the London District directly this contribution is generally by serving on committees of the District that deal with mission, manses, finance, policy, grants, training, development, but there are many others who assist with the preparation and running of District events, e.g. the Spring and Autumn synods. We are grateful to all of them for their help and commitment.

16 Lease commitments

The District had the following material lease commitments at the end of August:

Leased facility	Review Period	Payment Period	Annual Payment	Commitment
Office Rental (through WCH)	Annual	quarterly	23,367	23,367
Printer / copier	2026	quarterly	1,426	2,138

THE METHODIST CHURCH - LONDON DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2024

17 District funds (Unrestricted, Restricted and Endowment)

The London District of the Methodist Church maintains a number of separate funds. The purpose, type, movement and state as at the end of year is documented below:

The funds held constitute: Unrestricted General Funds held for any purpose of the District, Designated funds allocated for a specific purpose, Restricted funds which are held for a narrower purpose and Endowment funds which represent gifts, the capital normally being unavailable for spending, and the income from which is either Restricted or Unrestricted. Details of each material fund are disclosed in the notes below.

17.1 Fund Purpose & Type

	Fund Name	Type	Purpose of the Fund
17.1.1	Unrestricted Funds (U)		
	General Fund	U	For use at the discretion of the trustees in the furtherance of the objectives of the District. This excludes funds which have been designated for a specific purpose. (see designated funds below)
17.1.2	Designated Funds (D)		For specific purposes but not restricted by document or deed to that purpose alone.
	District Advance Fund	D1	To support the funding of projects in the London District
	Manse Property Fund	D2	The freehold properties used as manses for the District Chairs.
	Manse Refurbishment Fund	D3	For major manse maintenance work and refurbishment. This fund resulted from a surplus of funds following the purchase and sale of manses.
	District Training	D4	To support District organised training activities.
	District Youth Enablement	D5	To give young people opportunities to "Get Connected" with God and their churches.
	London District Chaplaincy	D6	To support the District Chaplaincy work, over and above the City University Chaplaincy.
	Growing London Leaders	D7	To equip lay leaders from across the London District as leaders in their church, work and community contexts.
	District Focus	D8	District Wide Focus project started 2017.
	CSS Advance Level Training	D9	Admin support and delivery of the Safeguarding Creating Safer Space Advanced Level Module training
	Media & Interfaith Project	D10	To provide Media training and support Interfaith discussion
	New Community Church Project	D11	To support new community church
	CDiM	D12	To assist ministers in Continuous Development and training in their ministry
	ADSO	D13	Assistant District Safeguarding Officer to support the continuing Safeguarding work of the District
	CRM project	D14	The selection, customisation, implementation and ongoing costs of a new CRM database & events system for the District.
	Warm Spaces	D15	To support Churches with requirement to open as a warm space in response to the increase in cost of living.
	Emergency Rapid Response funds	D16	To help the District meet needs arising from an emergency
	HIV Chaplaincy	D17	To support the work of a HIV Chaplain
	District Property Officer	D18	To pay for extra days for the Property Development Officer which enables the support of Circuits and local Churches Property Projects
17.1.3	Restricted Funds (R)		
	London District Pastoral & Benevolent Fund	R1	To help meet the exceptional needs of presbyters and deacons and District lay employees and their dependents within the London District that cannot be met at a local church or Circuit level alone, by providing a resource from which confidential payments can be made at the discretion of the Trustees.

THE METHODIST CHURCH - LONDON DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2024

17.1.4	Tower Hamlets - Sale-Land Stepney East End	R2	Continuing the work of God in Tower Hamlets
	Worship & Local Preacher Resources Centre	R3	To develop local preachers and worship leaders
	London Regional Network (incl deferred Income)	R7	To support the work of the London Regional team
	Inter Circuit Support	R8	To provide support to circuits who are struggling financially
	Endowment Funds (E)		
	Jean Richardson Bursary Fund	E	To provide assistance to Churches and Circuits, from the former London North West District, in promoting exchange visits between young people from the former District and overseas youth organisations.

17.2 Fund Balances and Movements

Fund Name		Opening Balance	Incoming Resources	Resources Expended	Gains/ (losses) on revaluation	Transfers	Closing Balance	
		£	£	£	£	£	£	
17.2.1	Unrestricted Funds							
	General Fund (excluding manse fund)	U	190,101	369,927	(357,726)	-	(69,416)	132,886
17.2.2	Designated Funds							
	London District Advance Fund (incl. loan to circuit)	D1	720,114	727,173	(439,264)	-	18,795	1,026,818
	Manse Value Fund	D2	1,666,558	-	(19,100)	-	-	1,647,458
	Manse Refurbishment Fund	D3	22,745	10	(57,952)	-	59,416	24,219
	District Training Personnel & Facilities	D4	11,851	-	(910)	-	-	10,941
	District Youth Enablement	D5	16,019	-	(3,800)	-	-	12,219
	London District Chaplaincy	D6	5,798	40,390	(42,465)	-	-	3,723
	Growing London Leaders	D7	6,745	-	-	-	(6,745)	-
	District Focus	D8	21,441	50	(10,529)	-	-	10,962
	CSS Advance Level Training	D9	5,992	-	(1,144)	-	-	4,848
	Fund Name		Opening Balance	Incoming Resources	Resources Expended	Gains/ (losses) on revaluation	Transfers	Closing Balance
			£	£	£	£	£	£
	Media and Interfaith Project	D10	50	-	-	-	(50)	-
	New Community Church Project	D11	14,963		(8,201)	-	-	6,762
CDiM (New)	D12	3,118	10,000	(1,937)	-	-	11,181	
ADSO (New)	D13	14,864	38,645	(37,995)	-	-	15,514	

THE METHODIST CHURCH - LONDON DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2024

	CRM Project	D14	7,415	-	(1,760)	-	-	5,655
	Warm Spaces	D15	12,000	-	-	-	(12,000)	-
	Emergency Response funds	D16	30,621	-	(600)	-	(2,000)	28,021
	HIV Chaplaincy	D17	22,000	6,000	(28,000)	-	-	-
	District Property Officer	D18	-	-	(1,393)	-	-	(1,393)
	Total Designated (excluding DAF)		1,862,180	95,095	(215,786)	-	38,621	1,780,110
	Total Unrestricted & Designated		2,772,395	1,192,195	(1,012,776)	-	(12,000)	2,939,814
17.2.3	Restricted Funds							
	London District Pastoral & Benevolent Fund	R1	3,534	654	(4,850)	-	12,000	11,338
	Tower Hamlets - Sale-Land Stepney East End Mss	R2	2,160,557	1,084,855	(573,855)	30,871	-	2,702,428
	London Regional Network (incl deferred Income)	R7	337	-	(35)	-	-	302
	Inter Circuit Support	R8	23,700		(6,900)	-	-	16,800
	Total Restricted Funds		2,188,128	1,085,509	(585,640)	30,871	12,000	2,730,868
17.2.4	Endowment Fund							
	Jean Richardson Bursary	E	71,677	2,784	(204)	4,331	-	78,588
Total Funds			5,032,200	2,280,488	(1,598,620)	35,202	-	5,749,270

THE METHODIST CHURCH - LONDON DISTRICT

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2024

18 Connected organisations and related parties

Connected organisations include the Methodist Connexion, Circuits and Churches within the District, other Methodist Districts in Great Britain, CFB and TMCP, except as reported in Note 3. All of these entities have their own trustees or directors and autonomous administration such that the London District has no significant influence over any of them, nor they over the London District. They are, therefore, not considered related parties.

Name of Connected Organisations	Receipts	Payments	Adjustments
	£	£	£
Donee: Methodist Church Fund	-	(1,429,224)	-
Doner: Circuits within the London District (assessments on Circuits)	1,672,097	-	242,873
Donor / Donee: Circuits within the London District (levies / grants)	54,645	(44,000)	10,645
Donor / Donee: Churches within the London District (grants)	-	(279,455)	(279,455)
Total	1,726,742	(1,752,679)	(25,937)

There were no related party transactions.

19 Auditor

An accrual has been made for the fee of the auditor.
An accrual has been made for the accountancy fee of the auditor.

2023-24	2022-23
8,376	7,975
2,190	2,130
10,566	10,105

THE METHODIST CHURCH - LONDON DISTRICT

FOR THE YEAR ENDED 31 AUGUST 2024

DECLARATIONS

Treasurer

I confirm that I have prepared the accounts from the records of the District and that they include all funds under the control of the District Council.

Signature of Treasurer



 Date

5/2/2025

Name

Mrs Ama Ackah-Yensu


Address

61 Haydons Road, WIMBLEDON, SW19 1HQ

Presentation to the District Council for approval.

I confirm that the Accounts have been presented to the District Council on 28 January 2025 and were approved.

Signature of the Chair of the meeting



Name of the Chair of the meeting

Revd Dr Jongikaya Zihle

Date

4/2/2025

INDEPENDENT AUDITORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2024

TO THE TRUSTEES OF THE METHODIST CHURCH - LONDON DISTRICT

Opinion

We have audited the financial statements of London District of the Methodist Church (the 'charity') for the year ended 31 August 2024 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 2024, 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 of 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.

THE METHODIST CHURCH - LONDON DISTRICT

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE TRUSTEES OF THE METHODIST CHURCH - LONDON DISTRICT

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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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.

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 5, 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.

THE METHODIST CHURCH - LONDON DISTRICT

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE TRUSTEES OF THE METHODIST CHURCH - LONDON DISTRICT

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.

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 risk assessment procedures included:

- + 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

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.

THE METHODIST CHURCH - LONDON DISTRICT

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE TRUSTEES OF THE METHODIST CHURCH - LONDON DISTRICT

Clay Ratnage Strevens + Hills

Clay Ratnage Strevens & Hills

Chartered Accountants

& Statutory Auditor

Suite D, The Business Centre

Faringdon Avenue

Romford, Essex, RM3 8EN

Date: 6/2/2025

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