

2024

**The Methodist Church – Tower Hamlets Circuit**  
**(London District – Circuit No 35/09)**

Charity Registration Number 1134888

Accounts for the year ended 31 August 2024

**THE METHODIST CHURCH IN TOWER HAMLETS**

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## THE METHODIST CHURCH IN TOWER HAMLETS

### Reference and Administrative Details

#### Names and addresses

The address of the registered office for the Tower Hamlets Circuit for the purposes of the Methodist Church Act 1976 and any other legislation is:

The Methodist Church in Tower Hamlets  
Bow Road Methodist Church  
1 Merchant Street  
London E3 4LY  
Tel: 020 8880 7301  
Web: [www.mcth.org.uk](http://www.mcth.org.uk)

#### **Circuit Office:**

Circuit Office  
1 Merchant Street  
London E3 4LY  
Tel: 020 8880 7301

#### **Custodian Trustees:**

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

#### **Circuit Leadership Team:**

Rev. Jenny Impey  
Deacon Theresa Simons-Sam  
Mrs Harriet Graham-Mensah  
Ms Verna Coke  
Mr Jones Ankrah  
Rev. David Hollingsworth (until 31 August 2024)  
Mr Doug Swanney (until 31 August 2024)

#### **Investment Managers:**

Central Finance Board of the Methodist Church  
Methodist Church House  
25 Tavistock Place  
London WC1H 9SF

Trustees for the Methodist Connexional Funds (registered)  
Methodist Church House  
25 Tavistock Place  
London WC1H 9SF

#### **Bankers:**

CAF Bank  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent ME19 4JQ

#### **Independent Auditor:**

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

#### **Solicitors:**

Lovell Son and Pitfield  
9 Gray's Inn Square  
Gray's Inn  
London WC1R 5JT



## THE METHODIST CHURCH IN TOWER HAMLETS

### Trustees' Report for the year ended 31 August 2024

The Trustees present their report and the audited accounts of the charity for the year ended 31 August 2024. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and accounts of the charity.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Circuit's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

### Governance

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

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

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

The Methodist Church in Tower Hamlets is part of the London District of the Methodist Church, and is a registered charity, number 1134888.

The Circuit is also registered for Gift Aid with H M Revenue & Customs under the reference XR16174.

Full Name of Charity: Methodist Church in Tower Hamlets

Registration Charity Number: 1134888

Date of Registration: 12 March 2010

Main Communication Address: Methodist Church in Tower Hamlets

Bow Road Methodist Church  
1 Merchant Street  
London E3 4LY



## THE METHODIST CHURCH IN TOWER HAMLETS

### Trustees' Report for the year ended 31 August 2024 (continued)

#### Trustees

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

Trustees who joined during 2023/24 are shown with an asterix (\*), those who left during the year with(\*\*)

Mrs Glenda Adams	Dr Keith Aldred
Mr Joseph Amoah**	Mr Jones Ankrah
Miss Susan Bothamley	Nana Abrafi
Ms Verna Coke	Mrs Sheila de Winter
Mrs Harriet Graham-Mensah	Ms Cheryl Gurnham
Revd Dr Jongikaya Zihle	Rev David Hollingsworth **
Rev Jenny Impey	Mrs Dorrett Kirwan**
Mrs Evelyn Louis	Mrs Lily Odartey
Ms Ella Sibley-Ryan	Mr John Singleton
Deacon Theresa Simons-Sam*	Mr Doug Swanney**
Miss Jean Thomas	Mrs Patience Yeboah

#### Method to recruit new Trustees

There are a number of *ex officio* trustees – a London District Chair, Presbyters, Deacons, Circuit Stewards, the secretary of the Local Preachers' Meeting together with the Treasurer and one Church Steward from each of the churches in the Circuit. These trustees will change when the post holders change. Additional members from each church are appointed by the relevant Church Council or General Church Meeting. A Secretary of the Circuit Meeting, who is a Lay Person, is appointed by the meeting.

#### Objective and purpose

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

#### Activities

The mission of the Circuit is to worship God as it celebrates its diversity according to the teachings of Jesus Christ. Inspired by Jesus we will offer hope and build communities of love, through prayer, pastoral care and social ministry.

#### Organisational structure

The Circuit includes responsibility for the Methodist Churches at Bow Road, Bethnal Green, Poplar, and Whitechapel. The churches at Bow Road and Bethnal Green formally recognised that they were unable to fulfil their responsibilities as Managing Trustees with respect to finance and property and both congregations delegated these responsibilities to the Circuit meeting as set out under the Model Trust, section 16 (k) from 2014/15. Accordingly, these accounts include Bow Road and Bethnal Green Methodist Churches. Pastoral, worship and mission matters are discussed at General Church meetings, with at least two Church Meetings held during the year in Bethnal Green and Bow Road. Approval was given by the District for Old Ford Methodist Church to cease to meet for worship in 2022 but the building remains in use for mission.

Poplar Methodist Church has its own managing trustees but is excepted from registration as a charity by virtue of Statutory Instrument No 242 of 2014 and produces separate accounts however Poplar Church Council agreed at its meeting in August to ask the circuit to assume managing trusteeship of the church. The Circuit Meeting has been asked to consider this. The Whitechapel Mission for the Homeless and Rootless of London is registered separately with the Charity Commission (227905).

## THE METHODIST CHURCH IN TOWER HAMLETS

### Trustees' Report for the year ended 31 August 2024 (continued)

#### Organisational structure (continued)

In addition to the above, the Circuit ran two community and mission projects as Internal Organisations. The two projects are:

- The Zacchaeus Project to support those who have long term illness, the elderly and infirm and those who care for them in Tower Hamlets. Funding over and above the amounts raised as grants and payments for the various activities of the project is now provided by Circuit investments.
- "Band for Life", providing a music workshop once a week at Bow Road Methodist Church for people who have experienced mental illness or are socially isolated. Activities were funded by grants and Circuit investments which originated from the sale of properties in previous years. Numbers attending the project continue to grow.

The management of these projects is undertaken by a project manager for each project, who provides a regular report to the Trustees. Each project is supported by a Steering Group which meets regularly to guide strategic direction and advise on any operational issues.

#### Circuit Ministers and officers

The Superintendent Minister and Chair of the Managing Trustees during 2023/24 was the Rev. Jenny Impey who had pastoral responsibility for Bethnal Green, Bow Road, Poplar and Whitechapel churches. Deacon Theresa Simons-Sam has been appointed to have a particular focus on Bethnal Green and to support the Zacchaeus Project. During the year the Rev. David Hollingsworth began to explore new methods of mission and discipleship, through a Heartfelt project, but ill health prevented this starting.

The Circuit benefited significantly from the voluntary ministry of two Supernumerary ministers, the Rev. David Hollingsworth and the Rev. Cameron Kirkwood, and a student minister, Mr Eric Bediako. It was also able to make use of the ministry of the Rev. Hannah Faal-Heim for 7 months whilst she was otherwise without appointment and expresses its gratitude to her nurture and encouragement of the congregation at Bow Road.

In 2023/2024 there were six Local Preachers in the Circuit and four worship leaders.

#### Pastoral Support within the Circuit

Pastoral support is provided by a team of pastoral visitors at Poplar and informally by members at other churches. The ministerial team also offer support.

#### Lay staff structure

The Circuit Administrative structure remains under review. Facilities and Property Management is currently being undertaken by the Superintendent Minister with support from existing staff and volunteers. The Circuit employs a part time Finance Manager and a part time Administrator.

#### Property

The Circuit continues to review its use of its properties. Following the change in direction on the major redevelopment of Bethnal Green, minor works are continued in 2023/2024 with a total budget of up to £500,000 designated for this work.

The Circuit commenced significant work on the property at Bow Road to repair part of the roof and the concrete cladding and sills. The project is not yet complete and additional costs of £24,000 will be incurred to complete the project.

The former manse at 2a Stepney Green has been sold. Proceeds of sale amounted to £978,332, out of which a levy of £367,333 has been taken for the Connexional Advance and Priority Fund to support mission around the Connexion. The money had originally come from the East End Mission Fund and so the money has been lodged in Trust 20520.



## **THE METHODIST CHURCH IN TOWER HAMLETS**

### **Trustees' Report for the year ended 31 August 2024 (continued)**

25 Campbell Road: As it was not currently needed as a manse, it was agreed to let the house to a family under an AST for 2 years. In preparation for this a new fire alarm system was installed together with some additional fire-proofing.

Manse Approach Road: New porch doors and back door have been installed to improve energy efficiency.;

95 South Road: New windows have been installed to improve energy efficiency together with some redecoration. Plans for a new conservatory and refurbished kitchen have been approved and work will be undertaken in the coming year.

### **Langthorne House (adjacent to Bow Road)**

The leaseholders have approached the circuit with a view to extending the leasehold or purchasing the freehold. A surveyors report has been commissioned.

### **Safeguarding**

The circuit has adopted the Safeguarding Policy of the Methodist Church and reviews this annually ensuring that appropriate DBS checks are undertaken, and volunteers and employees undergo appropriate training.

### **Achievements and performance**

During 2023/24 the Methodist Church in Tower Hamlets continued its ministry and service to the people of the Borough though the provision of worship and service opportunities in four congregations, the continued support of the homeless, elders and their carers and people with mental health issues through the Whitechapel Mission, the Zacchaeus and Band for Life projects.

The Whitechapel Mission has continued to expand as it serves the homeless and marginalised since 1876 offering a day centre, skills training and career advice, activity programmes and specialist support for complex needs. By encouraging each person to address the issues which caused their homelessness, the mission helps them to gain the skills and confidence to make lasting changes in their lives.

The Zacchaeus Project proved once again in 2023/2024 that it has made a significant contribution to the lives of so many older people and carers who attend its various activities. There has been a significant rise in the numbers of people seeking advice and support in obtaining the grants and benefits they are entitled to. A new diet and exercise class started with an aim of improving member's health and wellbeing. Grants have been received from the London Borough of Tower Hamlets and the Canary Wharf Group. We have been pleased to welcome new volunteers to the project. The project celebrated 25<sup>th</sup> Anniversary to in July 2024, marking 25 years of service to the community.

The Band for Life Project, based at Bow Road, continues to develop and respond to the needs of those who attend. The group were able to resume public performances in Canary Wharf and The Space.

Poplar Methodist Church continued to meet in the Emery Hall of the Queen Victoria Seaman's Rest. The church initiated a coffee afternoon in the restaurant of the QVSR which is attended by church members and residents. There was one baptism during the year.

Bethnal Green congregation attracts a wide range of visitors, a number of whom have worshipped regularly for the time they were in the area.

Bow Road continues to meet weekly for worship and holds an online prayer meeting. We were pleased to welcome 7 new members this year, 2 of whom have also become church stewards, and the others are serving in a variety of ways.



## THE METHODIST CHURCH IN TOWER HAMLETS

### Trustees' Report for the year ended 31 August 2024 (continued)

Under the leadership of the Rev. Cameron Kirkwood, the Circuit once again ran a Warm Space at Bethnal Green for the winter of 2023/2024 and this has proven to be a welcome addition to the projects of the Circuit, providing a space where people can keep warm, be provided with drinks and snacks, enjoy company or solitude, recharge phones and just relax.

The circuit continued to improve its provision at Bethnal Green and the Zacchaeus Project by undertaking some refurbishment, including new flooring in the corridors. In the coming year it hopes to install double glazing and new doors and we are working with the London Borough of Tower Hamlets to agree a suitable design given its location in a conservation area.

Bethnal Green Methodist Church provided temporary accommodation as a registration centre and waiting room for the Bow Foodbank from December 2023 to July 2024. During this time 16,000 adult food parcels 9,200 children's food parcels and food worth over £350,000 was given by the Foodbank to 3497 guests.

The Circuit continued to work with Age UK East London to support a knit and natter group at Old Ford Methodist Church.

5 women from the circuit were sponsored to attend a national Methodist Women in Britain Conference to inspire and equip them for service locally.

The Circuit churches provided vital space for community activities at each of its churches.

### Investments

The Circuit's proceeds from property sales relating to the East End Mission are classed as City Centre funds and as a result are held by the London District (Trust 20520). An amount equivalent to the interest on this fund is given to the Circuit as a grant. The grant for 2023/2024 was £100,365 received from Trustee interest and Dividends. An additional grant of £100,000 was also received for diaconal ministry. The balance held by Trust as at 31 August 2024 was £2,702,426 that includes £402,700 that has been designated for the Bethnal Green Methodist Church for premises work and a further £400,000 for diaconal ministry based at Bethnal Green. This amount also includes net sale proceeds amounted to £610,999 (Sale proceeds of £978,332 less £367,333 levy paid on sale of Manse, 2a Stepney Green).

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

### Public Benefit

The Trustees have due regard to the guidance published by the Charities Commission in accordance with its duties under section 17 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 IN TOWER HAMLETS

### Trustees' Report for the year ended 31 August 2024 (continued)

#### Financial Review

Circuit ministry and mission is funded mainly through incoming rents from the Circuit properties and interest from investments as well as the offering receipts from the churches at Bethnal Green and Bow Road, and the assessment contributions from the Poplar church.

The work of the social mission projects, including part of the ministerial costs, is dependent on the continued receipt of external grants, which continue to be supplemented from the interest from the City Centre Funds (held by the London District) and proceeds of sale of other sites.

The cost of running and maintaining the properties on a day-to-day basis is funded from the income generated from lettings and tenancies. Repairs and refurbishments are currently funded from the sale proceeds of other sites, however in general all are in good condition.

The Circuit recognises that it is drawing heavily on its reserves and is monitoring this situation and reviewing its work.

The value of the Circuit funds as at 31 August 2024 was £6,465,724 which a decrease of £671,216 from the previous year. This large decrease was due to transfers of funds from the trust 15955 which is held by Circuit to the Circuit trust 20520 held at District level.

#### Trustees' interests

The Ministers who are Trustees of the Circuit and stationed to the Circuit by the Methodist Church in Britain are Office Holders and are paid a stipend and are provided with a manse for the Ministers and their families to live in. Council Tax is paid by the Circuit and also an official telephone line with broadband facilities to enable them to carry out their service as Ministers. These arrangements are practiced throughout the Connexion who stipulate their terms of service.

One Trustee, Dorrett Kirwan was an employee of the Circuit in 2023/2024. However, her appointment as a Trustee is unconnected to the employment by the Circuit and she receives no remuneration for her service as a Trustee. Any conflict of interest is declared at the commencement of each meeting. Her trusteeship ended in March 2024.

#### Risk Management

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

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

#### Reserves Policy

The primary use of the Circuit fund is to support the ordained ministers, lay employees and congregations of the churches in their calling to worship, learning and caring, service and evangelism and to support of the wider community in the Borough of Tower Hamlets, through projects.

The unrestricted funds of £6,427,658 include properties in use for the purpose of the Circuit and other investments that generate income upon which the Circuit is reliant upon to sustain its core activities.

Recognising the significance of the mission of the churches and projects of the Methodist Church in Tower Hamlets and the care that would be needed in ensuring alternative provision if they needed to be wound down, the reserves policy of the Methodist Church in Tower Hamlets is to maintain a reserve of 6 months ordinary expenditure plus the underwriting of the Whitechapel mission to the tune of £100,000 and accrued redundancy costs for Circuit staff.



## THE METHODIST CHURCH IN TOWER HAMLETS

### Trustees' Report for the year ended 31 August 2024 (continued)

#### Commitments

All known commitments are included in the accounts.

#### Plans for the future

It is the intention to continue to keep under review the existing activities of the local Churches and Circuit to ensure they continue to serve their purpose in the current context. In addition, the Circuit will continue to assess the needs of the local community and, where relevant, consider the deployment of resources in extending the services currently provided to support the congregations in their mission and to the broader community. Where possible, the Circuit will apply for grants in order to develop those initiative and ensure their sustainability into the future. In addition to its ongoing funding of the Zacchaeus Project the circuit has agreed to underwrite the Project by £50,000 in the coming year if the project is unable to secure a key grant it has applied for.

A new Digital Inclusion initiative will be run by the Zacchaeus Project with the support of a grant from the London Borough of Tower Hamlets.

The Circuit has commissioned quinquennial reviews of its properties which will be undertaken in October 2024. The circuit intends to continue to maintain its buildings and in particular to install double glazing at Bethnal Green to increase energy efficiency and to undertake necessary work on the roof and window cills at Bow Road and work identified in the quinquennial reports on its properties. It will continue to review its provision of manses for the ministers who are appointed to the circuit. In particular the Circuit will look to sell 25 Campbell Road at the right time and buy a more manageable, energy efficient manse in the area.

#### Disclosure of information to auditors

In so far as the Trustees are aware:

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

#### Auditors

The auditors, Clay Ratnage Strevens & Hills, were newly appointed at the Trustee's meeting in September 2023.

This report has been prepared by the Trustees with support of Circuit Staff, the Ministers and Circuit Stewards. They can be contacted at Bow Road Methodist Church, 1 Merchant Street, London, E3 4LY.

Approved by the Trustees on the 13/02/2025 and signed on their behalf by:

*Revd Jenny Impey*

Revd Jenny Impey  
Circuit Superintendent Minister



## THE METHODIST CHURCH IN TOWER HAMLETS

### Statement of Trustees' responsibilities for the year ended 31 August 2024

The Trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year, which give a true and fair view of the state of affairs of the Circuit and of the incoming resources and application of resources of the Circuit for that year.

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts, and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Circuit and enable them to ensure that the accounts comply with the Standing Orders of the Methodist Church, the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and other relevant regulations. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

## THE METHODIST CHURCH IN TOWER HAMLETS

### Independent Auditor's Report to the Trustees of The Methodist Church in Tower Hamlets

#### Opinion

We have audited the accounts of The Methodist Church in Tower Hamlets (the 'Charity') for the year ended 31 August 2024, which comprise the Statement of Financial Activities, the Balance Sheet, Cash Flow Statement and the notes to the accounts, 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 accounts:

- 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, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the accounts is appropriate.

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

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

#### Other information

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

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

We have nothing to report in this regard.



## THE METHODIST CHURCH IN TOWER HAMLETS

### Independent Auditor's Report to the Trustees of The Methodist Church in Tower Hamlets (continued)

#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the accounts; or
- sufficient accounting records have not been kept; or
- the accounts 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 statement of Trustees 'responsibilities set out on page 11, the Trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

#### Auditor's responsibilities for the audit of the accounts

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

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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 and the sector in which they operate.
- Obtained an understanding of how the charity are complying with those legal and regulatory frameworks by making enquiries to the management of the charity's accounting department, and management itself.
- The susceptibility of the company's financial statements to material misstatement caused by fraud or other irregularities were assessed with the following procedures:
  - o Identifying and assessing the design effectiveness of controls which management have in place to prevent and detect fraud
  - o Understanding how those charged with governance considered and addressed the potential for override of controls and management biases
  - o Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations
  - o Assessing the extent of compliance with the relevant laws and regulations
  - o Assessing the extent to which pressures existed which may have increased the risk of fraudulent revenue recognition



## THE METHODIST CHURCH IN TOWER HAMLETS

### Independent Auditor's Report to the Trustees of The Methodist Church in Tower Hamlets (continued)

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

The inherent limitations of audit present an unavoidable risk that we, the auditors, may not have detected some material misstatements within the financial statements despite proper planning and performance of our duties as auditors. Equally, there remains a risk of the non-detection of fraud which could involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. The audit procedures carried out are designed to detect material misstatements within the financial statements, and as such we take no responsibility for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

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

*Clay Ratnage Strevens + Hills*

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

*24/2/2025*

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

**THE METHODIST CHURCH IN TOWER HAMLETS****Statement of Financial Activities for the year ended 31 August 2024**

	Notes	Unrestricted Funds £	Restricted Funds £	2024 Total £	2023 Total £
<b>Income and Endowments from:</b>					
Circuit assessment	3	6,500	-	6,500	5,500
Offerings	4	12,756	-	12,756	10,725
Grants and donations received	5	100,800	100,650	201,450	94,166
Investment income and interest	6	54,806	104	54,910	77,969
Rental income	7	169,183	-	169,183	144,490
Other income	8	77,283	-	77,283	78,332
Internal organisations	10	-	83,613	83,613	24,141
<b>Total income</b>		<b>421,328</b>	<b>184,367</b>	<b>605,695</b>	<b>435,323</b>
<b>Expenditure on:</b>					
<b>Charitable activities</b>					
Stipends and staff costs:					
Ministry	9	192,315	39,879	232,194	211,764
Internal organisations	10	-	115,633	115,633	104,726
District assessment		22,576	-	22,576	21,916
Telephone, travel & administration		10,754	-	10,754	10,107
Property Maintenance	11	173,019	-	173,019	80,375
Expenditure on other Circuit properties	12	30,213	-	30,213	2,206
District advance fund		50,706	-	50,706	54,874
Other expenditure	13	19,137	33,782	52,919	47,660
Internal organisations	10	-	43,774	43,774	41,800
Grants and donations	14	25	-	25	-
<b>Total expenditure</b>		<b>498,745</b>	<b>233,068</b>	<b>731,813</b>	<b>575,428</b>
Gains on disposal of Manse	16	368,294	-	368,294	-
Capital payment	16	(978,332)	-	(978,332)	-
Gains on revaluation of fixed assets		-	-	-	235,000
Net gains/(losses) on investments		64,940	-	64,940	(2,156)
<b>Net expenditure before transfers</b>		<b>(622,515)</b>	<b>(48,701)</b>	<b>(671,216)</b>	<b>92,739</b>
Transfers between funds		(71,143)	71,143	-	-
<b>Net movement in funds</b>		<b>(693,658)</b>	<b>22,442</b>	<b>(671,216)</b>	<b>92,739</b>
Funds balances at 1 September 2023		7,121,316	15,624	7,136,940	7,044,201
<b>Funds balances at 31 August 2024</b>		<b>6,427,658</b>	<b>38,066</b>	<b>6,465,724</b>	<b>7,136,940</b>

The notes on pages 19 to 31 form an integral part of these accounts.

## THE METHODIST CHURCH IN TOWER HAMLETS

### Statement of Financial Activities for the year ended 31 August 2024

Comparative year information Year ended 31 August 2023	Notes	Unrestricted Funds £	Restricted Funds £	2023 Total £
<b>Income and Endowments from:</b>				
Circuit assessment	3	5,500	-	5,500
Offerings	4	10,725	-	10,725
Grants and donations received	5	69,466	24,700	94,166
Investment income and interest	6	77,902	67	77,969
Rental income	7	144,490	-	144,490
Other income	8	78,163	169	78,332
Internal organisations	10	-	24,141	24,141
<b>Total income</b>		<b>386,246</b>	<b>49,077</b>	<b>435,323</b>
<b>Expenditure on:</b>				
<b>Charitable activities</b>				
Stipends and staff costs:				
Ministry	9	211,764	-	211,764
Internal organisations	10	-	104,726	104,726
District assessment		21,916	-	21,916
Telephone, travel & administration		10,107	-	10,107
Property Maintenance	11	56,675	23,700	80,375
Expenditure on other Circuit properties	12	2,206	-	2,206
District advance fund		54,874	-	54,874
Other expenditure	13	47,118	542	47,660
Internal organisations	10	-	41,800	41,800
<b>Total expenditure</b>		<b>404,660</b>	<b>170,768</b>	<b>575,428</b>
Gains on revaluation of fixed assets		235,000	-	235,000
Net loss on investments		(2,156)	-	(2,156)
Net expenditure before transfers		214,430	(121,691)	92,739
Transfers between funds		(91,654)	91,654	-
<b>Net movement in funds</b>		<b>122,776</b>	<b>(30,037)</b>	<b>92,739</b>
Funds balances at 1 September 2022 (Restated)		6,998,540	45,661	7,044,201
<b>Funds balances at 31 August 2023</b>		<b>7,121,316</b>	<b>15,624</b>	<b>7,136,940</b>

The notes on pages 19 to 31 form an integral part of these accounts.



## THE METHODIST CHURCH IN TOWER HAMLETS

Balance Sheet as at 31 August 2024

	Notes	Unrestricted Funds £	Restricted Funds £	2024 Total £	2023 Total £
<b>Fixed Assets</b>					
Tangible assets	16	3,241,997	250	3,242,247	3,858,881
Investment properties	17	1,960,295	-	1,960,295	1,960,383
Investments	18	492,710	-	492,710	427,770
		<u>5,695,002</u>	<u>250</u>	<u>5,695,252</u>	<u>6,247,034</u>
<b>Current Assets</b>					
Debtors	20	119,237	-	119,237	122,082
T.M.C.P. Interest funds		338,822	-	338,822	469,331
Central Finance Board Deposits		262,402	45,671	308,073	351,819
Cash at bank and in hand		88,288	2,286	90,574	72,525
		<u>808,749</u>	<u>47,957</u>	<u>856,706</u>	<u>1,015,757</u>
<b>Creditors: amounts falling due within one year</b>	21	(76,093)	(10,141)	(86,234)	(123,211)
<b>Net Current Assets</b>		<u>732,656</u>	<u>37,816</u>	<u>770,472</u>	<u>892,546</u>
<b>Total assets less current liabilities</b>		<u>6,427,658</u>	<u>38,066</u>	<u>6,465,724</u>	<u>7,139,580</u>
<b>Creditors: Amounts falling due after more than one year</b>	22	-	-	-	(2,640)
<b>Net Assets</b>		<u>6,427,658</u>	<u>38,066</u>	<u>6,465,724</u>	<u>7,136,940</u>
<b>Accumulated funds</b>					
Unrestricted funds		5,972,658	-	5,972,658	6,666,316
Restricted funds	24	-	38,066	38,066	15,624
Revaluation reserve		455,000	-	455,000	455,000
<b>Total Funds</b>	25	<u>6,427,658</u>	<u>38,066</u>	<u>6,465,724</u>	<u>7,136,940</u>

The accounts were approved by the Trustees on 13/02/2025 and signed on their behalf by:

*Rev Jenny Impey*  
 .....  
 Revd Jenny Impey  
 Circuit Superintendent Minister

*Ms Verna Coke*  
 .....  
 Ms Verna Coke  
 Circuit Steward

The notes on pages 19 to 31 form an integral part of these accounts.

## THE METHODIST CHURCH IN TOWER HAMLETS

### Cash flow statement for the year ended 31 August 2024

Statement of cash flows	Note	2024 £	2023 £
Cash from operating activities			
Net cash used in operating activities		(1,560,171)	90,191
Cash flows from investing activities			
Dividends, interest and rents from investments		425,543	316,625
Proceeds from the sale of property, plant and equipment		978,422	90
Purchase of property, plant and equipment		-	-
Purchase of intangible assets		-	-
Proceeds from the sale of investments		-	22,593
Purchase of investments		-	-
Other		-	-
Net cash provided by investing activities		1,403,965	339,308
Cash flows from financing activities			
New borrowing		-	-
Repayments of borrowing		-	-
Net cash used in financing activities		-	-
Change in cash and cash equivalents in the reporting period		(156,206)	429,499
Cash and cash equivalents at the beginning of the reporting period		893,675	464,176
Cash and cash equivalents at the end of the reporting period		737,469	893,675
Reconciliation of net income to net cash flow from operating activities		2024 £	2023 £
Net income for the reporting period ( as per statement of financial activities)		(671,216)	92,739
Adjustments for:			
Depreciation and amortisation charges	13	1,298	4,134
Profit on the sale of fixed assets		(362,998)	(2)
Loss on the sale of fixed assets		-	-
Unrealised Gains on investments/revaluation		(64,940)	(232,844)
Dividends, interest and rents from investments		(425,543)	(316,625)
Decrease/(increase) in stocks		-	-
(increase)/decrease in debtors		2,845	519,256
increase/(decrease) in creditors		(39,617)	23,533
Net cash used in operating activities		(1,560,171)	90,191
Analysis of cash and cash equivalent		2024 £	2023 £
Cash in hand		737,469	893,675
Short term deposit (less than 3 months)		-	-
Total cash and cash equivalents		737,469	893,675

The notes on pages 19 to 31 form an integral part of these accounts.

## THE METHODIST CHURCH IN TOWER HAMLETS

### Notes to the accounts for the year ended 31 August 2024

#### 1. Accounting policies

##### a) Circuit information

The Methodist Church in Tower Hamlets is an unincorporated Charity in England and Wales. The principal correspondence address is given on page 3 of these accounts. The nature of the Circuit's operations and principal activities are set out in the Trustees' Report.

##### b) Accounting convention

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

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The accounts are prepared in sterling, which is the functional currency of the Circuit. Monetary amounts in these accounts are rounded to the nearest pound.

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

##### c) Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the Circuit has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

##### d) Funds

###### Unrestricted funds

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

###### Restricted funds

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

##### e) Incoming resources

###### Church assessment

The church assessment is accounted for on a receivable basis.

###### Church offerings

Church offerings are accounted for on a receipts basis.



## THE METHODIST CHURCH IN TOWER HAMLETS

### Notes to the accounts for the year ended 31 August 2024 (continued)

#### 1. Accounting policies (continued)

##### Benevolence

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

##### Grants and donations received

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

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

##### Rental income

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

##### Other income

Other income is accounted for on a receivable basis.

##### Internal Organisations

Internal organisations comprise two projects of the Methodist Church in Tower Hamlets Circuit. The income is either derived from voluntary income, grants and donations by way of charitable activities.

##### Investment income and interest

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

#### f) Expenditure recognition

All expenditure is accounted for on an accruals basis when an obligation that can be measured or reliably estimated exists at the reporting date.

Grants awarded are provided in the Statement of Financial Activities in the year in which they are approved by Trustees and the offer is communicated to the recipient. Grants awarded but not paid are recorded as a liability within the Balance Sheet. Grants awarded subject to conditions being met by the recipient before payments are made are not accrued until such conditions have been met. Such commitments are disclosed in the accounts as contingent liabilities.

#### g) Tangible fixed assets

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

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

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

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the Statement of Financial Activities for the year.

## THE METHODIST CHURCH IN TOWER HAMLETS

### Notes to the accounts for the year ended 31 August 2024 (continued)

#### 1. Accounting policies (continued)

##### h) Investment properties

Investment properties, which are properties held to earn rentals and/or for capital appreciation, are initially measured at cost and subsequently stated at the Trustees' estimates of the fair valuation at the year-end, based on an index of property prices in the relevant areas. Any surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

##### i) Non-current investments

Fixed assets investments, which are held in units in the Trustees Methodist for Church Purposes (TMCP), are stated at the Board's published valuations at the year-end. Realised and unrealised gains and losses on investments are recognised in the Statement of Financial Activities.

##### j) Impairment of non-current investments

At each reporting end date, the Circuit reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss and any impairments are recognised in the Statements of Financial Activities.

##### k) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

##### l) Financial instruments

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

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

Financial assets and liabilities are offset, with the net amounts presented in the accounts, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### Basic financial assets

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

##### Basic financial liabilities

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



## THE METHODIST CHURCH IN TOWER HAMLETS

### Notes to the accounts for the year ended 31 August 2024 (continued)

#### 1. Accounting policies (continued)

##### m) Employee benefits

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

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

##### n) Retirement benefits

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

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

All employees who were already in pension schemes and new employees who qualify for auto enrolment are enrolled into new pension schemes (The Pension Trust and NEST).

##### o) Ministers' manse costs

The Circuit is required to provide accommodation for each minister and their families, and Ministers are expected to occupy them. The Circuit bears the cost of repairs and maintenance, premises insurance, council tax and water charges. These are not regarded as taxable benefits in kind by HM Revenue & Customs.

##### p) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the Statement of Financial Activities for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

#### 2. Critical accounting estimates and judgements

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

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



## THE METHODIST CHURCH IN TOWER HAMLETS

### Notes to the accounts for the year ended 31 August 2024 (continued)

#### 3. Circuit assessment

	Unrestricted Funds £	Restricted Funds £	2024 Total £	2023 Total £
Poplar Methodist Church	6,500	-	6,500	5,500
	<b>6,500</b>	<b>-</b>	<b>6,500</b>	<b>5,500</b>

#### 4. Offerings

	Unrestricted Funds £	Restricted Funds £	2024 Total £	2023 Total £
Bethnal Green Methodist Church	3,221	-	3,221	2,966
Bow Road Methodist Church	9,535	-	9,535	7,759
	<b>12,756</b>	<b>-</b>	<b>12,756</b>	<b>10,725</b>

#### 5. Grants and Donations received

	Unrestricted Funds £	Restricted Funds £	2024 Total £	2023 Total £
London District	100,365	100,000	200,365	93,536
Others	435	650	1,085	630
	<b>100,800</b>	<b>100,650</b>	<b>201,450</b>	<b>94,166</b>

#### 6. Investment income and interest

	Unrestricted Funds £	Restricted Funds £	2024 Total £	2023 Total £
TMCP Investment holdings:				
Dividends	14,346	-	14,346	15,401
Interest	21,605	-	21,605	11,023
Central Finance Board deposit interest	15,881	104	15,985	8,089
Loan interest	2,974	-	2,974	43,456
	<b>54,806</b>	<b>104</b>	<b>54,910</b>	<b>77,969</b>

#### 7. Rental income

	Unrestricted Funds £	Restricted Funds £	2024 Total £	2023 Total £
Income from investment properties held	169,183	-	169,183	144,490

#### 8. Other income

	Unrestricted Funds £	Restricted Funds £	2024 Total £	2023 Total £
Management fees	6,010	-	6,010	6,520
Gain on disposal of tangible assets	2	-	2	2
Gift Aid received	3,284	-	3,284	3,128
Insurance claim	-	-	-	2,860
Bow Road MC properties hall letting income	30,259	-	30,259	28,704
Bethnal Green MC properties hall letting income	26,794	-	26,794	30,418
Old Ford MC properties hall letting income	10,342	-	10,342	5,936
Other income	592	-	592	764
	<b>77,283</b>	<b>-</b>	<b>77,283</b>	<b>78,332</b>

## THE METHODIST CHURCH IN TOWER HAMLETS

### Notes to the accounts for the year ended 31 August 2024 (continued)

#### 9. Stipends and staff costs

	Unrestricted Funds £	Restricted Funds £	2024 Total £	2023 Total £
<u>Ministry</u>				
Stipends	41,806	29,399	71,205	57,270
Salaries	122,064	-	122,064	120,892
Employer's National Insurance	14,232	2,802	17,034	12,944
Pension Costs	14,213	7,678	21,891	20,658
	<b>192,315</b>	<b>39,879</b>	<b>232,194</b>	<b>211,764</b>
<u>Internal Organisations</u>				
Salaries	-	99,665	99,665	92,428
Employer's National Insurance	-	9,988	9,988	6,752
Pension Costs	-	5,980	5,980	5,546
	<b>-</b>	<b>115,633</b>	<b>115,633</b>	<b>104,726</b>

The average monthly number of staff employed during the year was 9 (2023: 9).

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

#### 9a. Trustees' emoluments

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

	2024 £	2023 £
Rev Jenny Impey	39,997	37,281
Deacon Terry Street	-	31,500
Deacon Theresa Sam	37,077	3,071
Mrs Dorrett Reid Kirwan	7,686	12,336
	<b>84,760</b>	<b>84,188</b>

#### 9b. Key Management Personnel

The key management personnel of the Circuit comprise of the Trustees and the circuit leadership team as listed on page 3. The total amount of the employee benefits (including employer pension contributions received by the key management personnel for their services to the Circuit was £91,057 (2023: £90,022).

#### 9c. Pension costs

The total pension cost for the Circuit for the year ended 31 August 2024 was £27,871 (2023: £26,204).

There were no outstanding or prepaid pension contributions at 31 August 2024 .

## THE METHODIST CHURCH IN TOWER HAMLETS

### Notes to the accounts for the year ended 31 August 2024 (continued)

#### 10. Internal Organisation

The Tower Hamlets Circuit incorporates two social and community projects, Band for Life and Zacchaeus. The income and expenditure for these projects was as follows:

	Zacchaeus Project	Band for Life Project	Total Restricted Funds
	£	£	£
<b>Income and Endowments from:</b>			
Donations received	1,087	200	1,287
Grant received*	65,161	1,645	66,806
Activities for generating funds	265	-	265
Charitable activities	13,123	-	13,123
Other incoming resources	2,029	103	2,132
<b>Total</b>	<b>81,665</b>	<b>1,948</b>	<b>83,613</b>
<b>Expenditure on:</b>			
Charitable activities	23,063	15,759	38,822
Support and staff costs	120,525	60	120,585
<b>Total</b>	<b>143,588</b>	<b>15,819</b>	<b>159,407</b>
<b>Net expenditure before transfers</b>	<b>(61,923)</b>	<b>(13,871)</b>	<b>(75,794)</b>
Transfers from unrestricted funds	60,989	10,154	71,143
<b>Net movement in funds</b>	<b>(934)</b>	<b>(3,717)</b>	<b>(4,651)</b>
Funds balances at 1 September 2023	8,401	4,605	13,006
<b>Funds balances at 31 August 2024</b>	<b>7,467</b>	<b>888</b>	<b>8,355</b>

\* Notable grants received in previous years from The National Lottery Community Fund amounting to £36,553. Grants received this year are from London Borough of Tower Hamlets (Mayor's fund) £22,917 and from Canary Wharf £7,336.

#### 11. Property maintenance

	Unrestricted Funds	Restricted Funds	2024 Total	2023 Total
	£	£	£	£
Building repairs and maintenance	100,429	-	100,429	45,994
Fire and security systems	18,744	-	18,744	3,838
Insurance	14,031	-	14,031	13,625
Rents, Rates & Service charges	936	-	936	4,469
Professional fees	20,382	-	20,382	-
Utilities	18,497	-	18,497	12,449
<b>Total</b>	<b>173,019</b>	<b>-</b>	<b>173,019</b>	<b>80,375</b>

These maintenance costs relate to Circuit Manses, Bow Road flats, Bow Road Church building, Bethnal Green Church building, and Old Fold Church building. The professional fee includes Circuit Lettings agents fee of £8,565 for Campbell Road and 2A Stepney Green, Bow Road flats Lettings agents fee of £4,995 and Surveyors and Consultancy fee of £6,822.



**THE METHODIST CHURCH IN TOWER HAMLETS****Notes to the Accounts for the year ended 31 August 2024 (continued)****12. Expenditure on other Circuit properties (95 South Road)**

	Unrestricted Funds	Restricted Funds	2024 Total	2023 Total
	£	£	£	£
Building repairs and maintenance	22,461	-	22,461	969
Insurance	1,280	-	1,280	1,237
Professional fees	6,472	-	6,472	-
	<b>30,213</b>	<b>-</b>	<b>30,213</b>	<b>2,206</b>

**13. Other expenditure**

	Unrestricted Funds	Restricted Funds	2024 Total	2023 Total
	£	£	£	£
Depreciation	1,298	-	1,298	4,134
Finance costs	330	-	330	859
General and other ad hoc expenses	4,222	416	4,638	10,010
Loss on disposal of tangible assets	2,836	-	2,836	-
Ministry costs	3,354	-	3,354	2,119
Deacon costs	-	33,366	33,366	-
Professional fees	5,880	-	5,880	29,483
Staff welfare and training	1,217	-	1,217	1,055
	<b>19,137</b>	<b>33,782</b>	<b>52,919</b>	<b>47,660</b>

**14. Grants and donations**

	Unrestricted Funds	Restricted Funds	2024 Total	2023 Total
	£	£	£	£
Donations	25	-	25	-
	<b>25</b>	<b>-</b>	<b>25</b>	<b>-</b>

**15. Auditors' remuneration**

	2024	2023
	£	£
Fees payable to the Circuit's auditors for audit of the annual accounts	<b>5,100</b>	<b>5,100</b>

**THE METHODIST CHURCH IN TOWER HAMLETS****Notes to the accounts for the year ended 31 August 2024 (continued)****16. Tangible assets**

	Freehold Land & Buildings	Fixtures Fittings & Equipment	Office Equipment	Total
Cost or valuation	£	£	£	£
At 1 September 2023	3,850,717	29,847	14,180	3,894,744
Disposals	(612,500)	-	(14,180)	(626,680)
and at 31 August 2024	3,238,217	29,847	-	3,268,064
<b>Depreciation</b>				
At 1 September 2023	-	24,519	11,344	35,863
Charge for year	-	1,298	-	1,298
Disposals	-	-	(11,344)	(11,344)
At 31 August 2024	-	25,817	-	25,817
<b>Carrying Amount</b>				
At 31 August 2024	3,238,217	4,030	-	3,242,247
At 31 August 2023	3,850,717	5,328	2,836	3,858,881

The carrying amount of freehold land and building comprises of:

	2024 £	2023 £
Manse	677,569	1,290,069
Church buildings	2,560,648	2,560,648
	3,238,217	3,850,717

The former manse at 2a Stepney Green was sold for £999,325 during the year. The Circuit incurred selling costs of £18,531 and the original cost of the property was £612,500 resulting in an overall gain of £368,294, which is included in the Statement of Financial Activities. Net proceeds of £978,332 were lodged with the London District (Trust 20520) as the money to originally purchase the property had come from the East End Mission Fund.

Office equipment were assets held under finance leases. The lease contract ended in July 2024, and these assets were disposed of.

**17. Investment properties**

	2024 £	2023 £
Market value at 1 September 2023	1,960,383	1,685,471
Freehold land	-	40,000
Revaluation of Investment Properties	-	235,000
Disposals	(88)	(88)
Market value at 31 August 2024	1,960,295	1,960,383

The valuations of investment properties are stated at the Trustees' estimates of the fair valuation at the year-end, based on an index of property prices in the relevant areas.

The Trustees consider that these valuations are reasonable at 31 August 2024.

## THE METHODIST CHURCH IN TOWER HAMLETS

### Notes to the accounts for the year ended 31 August 2024 (continued)

#### 18. Investments

	2024	2023
	£	£
Valuation at 1 September 2023	427,770	452,519
Disposals	-	(22,593)
Valuation changes	64,940	(2,156)
<b>Valuation at 31 August 2024</b>	<b>492,710</b>	<b>427,770</b>
Investments held by Central Finance board		
<b>At 31 August 2024</b>	<b>492,710</b>	<b>427,770</b>

#### 19. Financial Instruments

	2024	2023
	£	£
Carrying amount of financial assets		
Debit instruments measured at amortised cost	609,198	548,748
Carrying amount of financial liabilities		
Measured at amortised cost	86,234	84,015

#### 20. Debtors

	Unrestricted Funds	Restricted Funds	2024 Total	2023 Total
	£	£	£	£
Prepayments and accrued income	12,651	-	12,651	65,964
Other debtors	106,586	-	106,586	56,118
	<b>119,237</b>	<b>-</b>	<b>119,237</b>	<b>122,082</b>

Debtors is £105,657 owed from Newham Circuit, of which £43,801 is being paid over 48 monthly payments, starting from August 2023. £61,856 of it, including interest of £2,974, will be paid in one lump sum once the Forest Gate Development gets underway.

#### 21. Creditors: amounts falling due within one year

	Notes	Unrestricted Funds	Restricted Funds	2024 Total	2023 Total
		£	£	£	£
Obligations under finance leases		-	-	-	3,366
Other taxation and social security		-	-	-	5,283
Deferred income	23	-	-	-	36,553
Accruals		63,168	-	63,168	65,004
Other creditors		12,925	10,141	23,066	13,005
		<b>76,093</b>	<b>10,141</b>	<b>86,234</b>	<b>123,211</b>



## THE METHODIST CHURCH IN TOWER HAMLETS

Notes to the accounts for the year ended 31 August 2024 (continued)

### 22. Creditors: amounts falling due after more than one year

	Unrestricted Funds £	Restricted Funds £	2024 Total £	2023 Total £
Obligations under finance leases	-	-	-	2,640
			2024	2023
Net obligations under finance lease and hire purchase contracts:			£	£
Repayable within one year			-	3,696
Repayable between one and five years			-	5,147
			-	8,843
Finance charges and interest allocated to future accounting periods			-	(2,837)
			-	6,006
Included in liabilities falling due within one year			-	(3,366)
			-	2,640

### 23. Deferred Income

	Unrestricted Funds £	Restricted Funds £	2024 Total £	2023 Total £
Other deferred income	-	-	-	36,553

Deferred income is included in the accounts as follows:

	Unrestricted Funds £	Restricted Funds £	2024 Total £	2023 Total £
Deferred income is included within:				
Current liabilities	-	-	-	36,553

Movements in the year:

Deferred income at 1 September 2023	-	36,553	36,553	40,650
Movements in the year	-	(36,553)	(36,553)	(4,097)
Deferred income at 31 August 2024	-	-	-	36,553

## THE METHODIST CHURCH IN TOWER HAMLETS

Notes to the accounts for the year ended 31 August 2024 (continued)

### 24. Restricted funds

	Balance as at 01.09.23 £	Incoming £	Outgoing £	Transfers between funds £	Balance as at 31.08.24 £
<b>Funds</b>					
i. Internal organisations	13,006	83,613	(159,407)	71,143	8,355
ii. Bow Road Methodist Church Organ Fund	1,991	104	-	-	2,095
iii. Diaconal project Fund	-	100,000	(73,245)	-	26,755
iv. Warm space fund	627	650	(416)	-	861
	<b>15,624</b>	<b>184,367</b>	<b>(233,068)</b>	<b>71,143</b>	<b>38,066</b>

i. **Internal Organisations.** This fund incorporates the two projects of the Tower Hamlets Circuit; Band for Life and Zacchaeus.

ii. **Bow Road Methodist Church Organ Fund.** This fund was set up for the purposes of buying a church organ.

iii. **Diaconal project Fund.** This is for the diaconal mission in the projects and circuit churches.

iv. **Warm spaces fund.** The fund for supporting communities through rising costs in winter, by bringing people together into warm spaces. A grant of £650 was received from Queen Adelaides Trust for warm space.

### 25. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	2024 Total £
Fund balances at 31 August 2024 are represented by:			
Tangible fixed assets	3,241,997	250	3,242,247
Investments	2,453,005	-	2,453,005
Net current assets	732,656	37,816	770,472
	<b>6,427,658</b>	<b>38,066</b>	<b>6,465,724</b>

### 26. Contingent Liabilities

As at 31 August 2024, the Circuit had agreed to provide any required support and financial assistance to the Whitechapel Mission to enable it to meet its financial obligations up to £100,000.

### 27. Operating leases - lessee

As at 31 August 2024 the charity was committed under non-cancellable operating leases to make the following annual minimum payments (at present value):

	2024 £	2023 £
Printing Equipment		
Due less than 1 year	1,502	-
Due 1 to 2 years	1,502	-
Due 2 to 5 years	4,201	-

The operating lease is in respect of printing equipment taken out with Officeology Ltd for a period of 5 years. Total lease payments expensed during the year was £304 (2023: £Nil).

## **THE METHODIST CHURCH IN TOWER HAMLETS**

**Notes to the accounts for the year ended 31 August 2024 (continued)**

### **28. Related party transactions**

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

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

#### **The London District of the Methodist Church ("TDMC")**

During the year, the Circuit received grants of £200,365 (2023: 93,536) from TDMC.

The Circuit also paid assessment of £22,576 to TDMC.

#### **Newham Methodist Circuit ("NMC")**

As at 31 August 2024, NMC owed an amount of £105,657 (2023: £115,000) to the Circuit. This amount includes invoices MCTH paid on behalf of NMC, services provided by a Circuit member of staff and interest on the balance of £58,882. Interest is calculated based on rate of the income return of the CFB's Corporate Bond Fund for the period. Interest accrued during the year was £2,974.

During the year, the Circuit received management and administration fees of £394 (2023: £760) from East Ham Congregational and Methodist church for services provided by the Circuit's members of staff.

#### **Hackney and Stoke Newington Methodist Circuit ("HNMC")**

During the year, the Circuit received management and administration fees of £5,616 (2023: £5,761) from HNMC for services provided by the Circuit's members of staff. MCTH also paid £26,103 to HNMC for manse used by MCTH Deacon.

#### **Poplar Methodist church("PMC")**

During the year, the Circuit received assessment of £6,500 (2023: 5,500) from PMC. £1,500 of it was accrued at the end of the year.