

LAMBETH CIRCUIT METHODIST CHURCH

England & Wales - Charity number 1175488

Details

Status Registered

Legal form Other

Registered 2017-11-01

Register [View on the Charity Commission register](#)

Contact

Address Kojo & Co
118-120 London Road
Mitcham
Surrey
CR4 3LB

Phone 02086468113

Website lambethmethodistcircuit.org.uk

Activities

Objects: 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 BEING A SOCIETY OR INSTITUTION 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.

Activities: To provide support mechanism to the local churches within the Circuit. The Circuit provide ministerial oversight and pastoral care for the 10 local churches in the Circuit. It support ministerial team of 5 ministers. It maintains 5 manses, 2 let manses and 2 former churches.

Classification

- **How:** Makes Grants To Organisations, Provides Buildings/facilities/open Space
- **What:** Religious Activities
- **Who:** Children/young People, Elderly/old People, People With Disabilities

Geography

- Lambeth

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£512,490	£786,790	£10,758,906	2
2023-08-31	£1,237,819	£869,934	£11,330,390	2
2022-08-31	£395,303	£655,725	-	-
2021-08-31	£2,892,739	£1,676,645	£11,180,927	1
2020-08-31	£270,799	£350,463	-	-

Trustees

Name	Role	Appointed
ALICE ACHOLA OMARA		2017-01-01
Afolake Elizabeth Oyeledun		2020-09-04
DANIEL SACEY		2016-09-01
Jacob Arkaah		2018-12-01
KOJO AMOAH-ARKO		2016-09-01
Nancy Acquaaah		2020-09-04
ROBERT SMYTH		2018-12-01
Rev Paulo Bessa da Silva		2025-09-01

LAMBETH CIRCUIT METHODIST CHURCH

England & Wales - Charity number 1175488

Accounts

LAMBETH CIRCUIT METHODIST CHURCH

Charity registration number - 1175488

REPORT AND ACCOUNTS FOR THE YEAR ENDED 31, AUGUST 2024.

LAMBETH CIRCUIT METHODIST CHURCH

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2024

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LAMBETH CIRCUIT METHODIST CHURCH

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2024

CHARITY INFORMATION

Charity Registration number - 1175488

Principal address Clapham Methodist Church
Nelson's Row
London. SW4 7JR

Bankers - HSBC Bank PLC
8, Canada Square
London. E4 5HQ

CENTRAL FINANCE BOARD
9, Bonhill Street,
London. EC2A 4PE

CAF BANK LIMITED
25, Kings Hill Avenue,
Kings Hill,
West Malling
Kent ME19 4JQ

Auditors Adomako Basoah & Co.
45, Tindale Close
Sanderstead
South Croydon
Surrey. CR2 0RT

LAMBETH CIRCUIT METHODIST CHURCH

TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31, AUGUST 2024

The Trustees present their report together with the Audited financial statements for the year ended 31, August 2024

BASIS OF ACCOUNTS PREPARATION

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 (FRS 102) (Second Edition)" and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015

The financial statements have been prepared to give a "true and fair" view and 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 "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) (Second Edition)" rather than the Accounting and Reporting by Charities : Statement of Recommended Practice effective from 1, April 2005 which has since been withdrawn".

The financial statements have been prepared in accordance with the accounting policies set out in Note 2 to these accounts, and in accordance with the governing document of the Circuit.

GOVERNING DOCUMENT AND OBJECTIVE

The governing document for the circuit is the Deed of Union (1932) and the Methodist Church Act (1976).

The Purpose 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 discipline of the Methodist Church;
- (b) any charitable purposes 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 subsidiary or ancillary to The Methodist Church;
- (d) any purpose for the time being of any charity subsidiary or ancillary to The Methodist Church.

In striving to achieve its objectives, the Trustees give careful consideration to the Charity Commission's general guidance on public benefit.

We confirm that the Circuit is a public benefit entity as defined by FRS 102.

LAMBETH CIRCUIT METHODIST CHURCH

TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31, AUGUST 2024

(Continued)

TRUSTEES

The Trustees of the Circuit are selected from given office holders of the Methodist Church

REFERENCE AND ADMINISTRATIVE DETAILS

The Circuit is managed on day to day basis by the Superintendent minister, the Circuit the ministers and the Circuit Stewards.

The Circuit Meeting Members who are also trustees are

District Chair	Revd Nigel Cowgill
Superintendent Minister	Revd Andrew Dart (to November 2023) Rev Dr Andrew Lyons (from December 2023)
Circuit Ministers	Revd Kristin Markay Revd Lena Ali Revd Rita King Revd Suzanne Shortman
Hospice Chaplain	Revd Andrew Goodhead
Supernumerary residing in Circuit	Revd Gordon Ashworth Rev Graham Thomas
Circuit Stewards	Nancy Acquah Alice Achola-Omara Daniel Sackey Christine Annor Victoria Odojin Abigail Tagoe Comfort Babawale Elizabeth Oyeledun Vivian Korley Raymonde Chintoh Patience Oluwa Clement Cofie Nana Dormon
Circuit Treasurer	Kojo Amoah-Arko
Assistant Treasurer	Opuwale Lawson
Circuit Meeting Secretary	Arabella Hyde
Local Preachers' Secretary	Elizabeth Oyeledun

LAMBETH CIRCUIT METHODIST CHURCH
TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31, AUGUST 2024

(Continued)

REFERENCE AND ADMINISTRATIVE DETAILS

Property Group Co-Ordinator	Robert Smyth
Safeguarding Co-Ordinator	Sandra Taylor
Young Peoples' Representative	Janet Oppong/Danielle Young
Local Church Representatives:	
Streatham	Pat Ashworth Carl Opare-Addo Tina Rawlings Jacob Arkaah
Tulse Hill	Christine Annor Kwadwo Asamoah-Boadu Emmanuel Bentsi-Abban Carmen Gamet Rose Agnes Baiden Trevor Hyde
Brixton Hill	Kathy Rennalls Janet Oppong Robert Smyth Enley Taylor Nike Musa Eva Kyei Kofi Kyei
Mostyn Road	Akuba Forson Nana Dormon Francisca Gaspar
Railton Road	Comfort Babawale Temitope Tayo Jennifer Davis Andy Kalamuso
Clapham	Solomon Quaye Dorothy Blincoe Antonia Buamah Sharon Bryan Regina Carrena Ola Fadugba Fiona Owuru

LAMBETH CIRCUIT METHODIST CHURCH

TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31, AUGUST 2024

(Continued)

REFERENCE AND ADMINISTRATIVE DETAILS

Stockwell	Rebecca Ekang Leticia Quayson Alice Aduku Nathaniel Beury Lorna Simpson
Springfield	Kola Ajao Harriet Nsowah Elenor Buaku Ben Johnson
LMSM's & Vauxhall Mission	Ursula Ovenden Alice Achola-Omara David Vilares Barbara Afful

BANKERS AND AUDITORS

Bankers

HSBC Bank Plc
Central Finance Board of the Methodist Church
CAF Bank Limited

Auditors

Adomako Basoah & Co
Chartered Certified Accountants
45 Tindale Close
Sanderstead
Surrey. CR2 0RT

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Circuit is managed by a leadership team made up of the ministers, the Circuit stewards and local church representatives. The Circuit ensures that incoming stewards are well equipped by arranging for them to attend training and seminars organised by the District and the Circuit for that purposes.

The Circuit Leadership team meets periodically to discuss finance, property and other matters pertaining to the life of the Circuit and to make recommendations to the Circuit Meeting.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Circuit Meeting meets at least twice a year to consider recommendations and receive reports from and to the Methodist Conference, London District Synod, the Circuit Leadership Team and the Circuit Stewards, and conducts other business as appropriate.

LAMBETH CIRCUIT METHODIST CHURCH

TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31, AUGUST 2024

(Continued)

FUNCTIONS OF THE CIRCUIT

Mission statement

The Circuit's mission statement is "to be open to God, open to Life and open to the world".

The main function of the Circuit is to provide the support mechanism to the local churches within the Circuit. Careful consideration of the Charity Commission's general guidance on public benefit has been borne in mind in reviewing the functions of the Circuit and in planning its activities. The trustees consider the current activities as detailed in this report deliver public benefit.

The Circuit is responsible for the following:

- * To provide ministerial oversight and pastoral care for the 9 local churches in the Circuit
- * To Support the ministerial team of 6 presbyteral ministers.
- * To maintain 5 manses and to manage 3 investment properties.
- * To support local churches in providing place for worship

MAIN GOALS FOR THE YEAR

The main goals for the year were:

- * To identify priorities for further use and application of funds at the disposal of the Circuit
- * to use its resources effectively to further its mission
- * to develop its work among the young people
- * to investigate ways of working together to achieve the objectives of the circuit

The Trustees were able to achieve the goals as set at the beginning of the year

ACHIEVEMENTS AND PERFORMANCE

Review of past performance

In furtherance of its goals, the Circuit continued to develop the youth project in partnership with the Accension Trust at Kings at Kings Acre church premises.

The Circuit recorded a deficit of £274,300 (2023 - surplus of £367,885) before the assessment debtors writeoffs of £297,184 making the total deficit for the year at £571,484

Reserves

The balance of the unrestricted funds at 31 August 2024 was £10,751,375 (2023 - £11,323,105) This includes the value of the Fixed Assets of £10,448,258 thereby leaving a net liquid balance of £303,117 for the general running of the Circuit.

Plans for the future

The Circuit will continue the programme of exploring mission initiatives involving collaboration with other ecumenical churches in the furtherance of its objectives.

LAMBETH CIRCUIT METHODIST CHURCH
TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31, AUGUST 2024

(Continued)

Reserve Policy

The Trustees endeavour to maintain sufficient Reserves to ensure that the Circuit is on a "going concern" basis at all times.

The Circuit General Fund (Unrestricted fund) balance at the end of the year was £303,117
This excludes the value of the circuit properties of £10,448,258.

Our reserves policy is to hold at least 6 month's expenditure. With the current level of annual expenditure (£786 K) the expected level of Reserves should be £393K, compared to the actual readily available reserves (Circuit General Fund balance less properties values) of £303K.

The trustees are taking all necessary measures to bring the current reserves level to the expected level

Risk Analysis

The Trustees have examined the principal areas of their operations and considered what major risks could arise in each of these areas. In the opinion of the Trustees, resources and review systems have been established which, in the normal conditions, should allow the risks identified by them to be mitigated to an acceptable level in their day to day operations.

Going concern

The trustees consider that the Circuit has adequate financial resources to continue in operation for the foreseeable future.

Currently, the Circuit is being run by the strategic groups that were set up in the areas of property, finance, mission and administration. This it is hoped will ensure that the mission life of the circuit is revived which will increase the congregational collections.

The trustees therefore consider that the going concern basis remains a reasonable basis for the preparation of the Circuit accounts.

Post Balance Sheet Events

The trustees are not aware of any post balance sheet events which could materially affect these financial statements

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Acceptable Accounting Practice)

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a "true and fair view" of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year. In preparing these financial statements the Trustees are required to:

LAMBETH CIRCUIT METHODIST CHURCH
TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31, AUGUST 2024

(Continued)

- > select suitable accounting policies and then apply them consistently
- > observe the methods and principles in the Charities SORP
- > 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 financial statements
- > prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

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 Charities Act of 2011, the appropriate Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Circuit and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware;

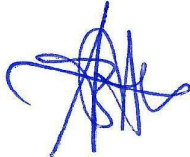
- > There is no relevant audit information of which the Circuit's auditor is unaware; and
- > the trustees have taken all steps that they ought to have to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

APPROVAL

This Report was approved by the Circuit Trustees on their behalf by :

25/6/2025, and signed on

Arabella Hyde



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAMBETH CIRCUIT METHODIST CHURCH

REPORT ON THE FINANCIAL STATEMENTS

UNQUALIFIED OPINION

We have audited the financial statements of The Lambeth Circuit Methodist Church (the charity) for the year ended 31, August 2024, which comprise of the Statement of Financial Activities, the Balance Sheet, the statement of cash flows 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 United Kingdom and the 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 FOR UNQUALIFIED 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 Standards, 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 unqualified opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

OTHER INFORMATION

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAMBETH CIRCUIT METHODIST CHURCH
(Continued)

The Trustees are responsible for the other information contained within the annual report. 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.

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 course of 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 financial statements 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.

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 Report) 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 financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF THE TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, the trustees are responsible for the preparation of the financial statements 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 the financial statements that are free from material misstatement whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS.

We have been appointed as Auditor under Section 144/145 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAMBETH CIRCUIT METHODIST CHURCH

(Continued)

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

- > As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit.
- > At the commencement of the audit, we obtained an understanding of the legal and regulatory framework applicable to the Charity, and how the Charity is complying with that framework.
- > We assessed the susceptibility of the Charity's financial statements to material misstatement, including how fraud might occur
- > Our engagement partner's assessment of whether the engagement team collectively had the appropriate competence and capabilities to identify or recognize non-compliance with laws and regulations.
- > all matters about non-compliance with laws and regulations and fraud which were detected by the engagement team were to be communicated to the engagement partner.
- > Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

A further description of our responsibilities 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.

USE OF OUR REPORT

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Adomako Basoah & Co.
Statutory Auditor

25/06/2025

45, Tindale Close
Sanderstead
South Croydon
Surrey. CR2 0RT

ADOMAKO BASOAH & CO is eligible for appointment as Auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

LAMBETH CIRCUIT METHODIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2024

	Note	Unrestricted	Restricted	Total	2023
		£	£	£	£
INCOMING RESOURCES					
Charitable Activities	3.1	210,000	0	210,000	258,360
Investment income	3.2	302,230	260	302,490	173,498
Other Income	3.3	<u>0</u>	<u>0</u>	<u>0</u>	<u>805,961</u>
		<u>512,230</u>	<u>260</u>	<u>512,490</u>	<u>1,237,819</u>
RESOURCES EXPENDED					
Expenditure on Raising Funds	4.1.4	52,407	9	52,416	155,669
Expenditure on Charitable Activities	4.2.3	636,449	5	636,454	538,562
Others	4.3	<u>97,920</u>	<u>0</u>	<u>97,920</u>	<u>175,703</u>
TOTAL RESOURCES USED		<u>786,776</u>	<u>14</u>	<u>786,790</u>	<u>869,934</u>
NET INCOME/ (DEFICIT) FOR THE YEAR					
Before Recognised Gains		(274,546)	246	(274,300)	367,885
BALANCE BROUGHT FORWARD		<u>11,323,105</u>	<u>7,285</u>	<u>11,330,390</u>	<u>10,962,505</u>
BALANCE CARRIED FORWARD		<u>11,048,559</u>	<u>7,531</u>	<u>11,056,090</u>	<u>11,330,390</u>

All activities are derived from continuing operations

There are no further recognised (losses)/ gains other than the (deficit)/income for the above financial years.

The notes 15 to 27 the financial statements form an integral part of these financial statements.

LAMBETH CIRCUIT METHODIST CHURCH
BALANCE SHEET AS AT 31 AUGUST 2024

FIXED ASSETS		unrestricted	Restricted	T O T A L	2023
	Note	£	£	£	£
Tangible Fixed Assets	6.1	5,550,000	0	5,550,000	5,550,000
Investments	6.2	<u>4,893,202</u>	<u>5,056</u>	<u>4,898,258</u>	<u>5,230,185</u>
Total Fixed Assets		<u>10,443,202</u>	<u>5056</u>	<u>10,448,258</u>	<u>10,780,185</u>
CURRENT ASSETS					
Debtors	9	99,051	0	99,051	396,743
Bank and cash balances	10	<u>257,405</u>	<u>2,475</u>	<u>259,880</u>	<u>196,144</u>
		<u>356,456</u>	<u>2,475</u>	<u>358,931</u>	<u>592,887</u>
CREDITORS: Amounts falling due within one year	11	<u>48,283</u>	<u>0</u>	<u>48,283</u>	<u>42,682</u>
TOTAL NET CURRENT ASSETS		<u>308,173</u>	<u>2,475</u>	<u>310,648</u>	<u>550,205</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>10,751,375</u>	<u>7,531</u>	<u>10,758,906</u>	<u>11,330,390</u>
FUNDS					
Restricted Funds	12.1	0	7,531	7,531	7,285
Unrestricted Funds	12.2	<u>10,751,375</u>	<u>0</u>	<u>10,751,375</u>	<u>11,323,105</u>
		<u>10,751,375</u>	<u>7,531</u>	<u>10,758,906</u>	<u>11,330,390</u>

The notes 15 to 27 the financial statements form an integral part of these financial statements.

Approved by the Trustees on 25/06/2025 2025
and signed on their behalf by :



Revd Dr. Andrew Lyons
Superintendent Minister



Kojo Amoah-Arko
Circuit Treasurer

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31, AUGUST 2024
 CASH FLOWS FROM OPERATING ACTIVITIES

	2024	2023
	£	£
Net Operating Income	-274,300	367,885
Purchase of Office Equipment	1,606	0
ADJUSTMENT FOR :		
Interest Receivable and Similar income	-89,867	-62,944
Non- Monetary income		
Bad and doubtful debt no longer required	0	-14,208
Depreciation	-1,606	0
PRIOR YEAR ADJUSTMENT	-297,184	42,000
CHANGES IN :		
Fixed Assets Investments	331,927	-314,073
Debtors	297,692	-82,475
Creditors	<u>5,601</u>	<u>-45,406</u>
CASH GENERATED FROM OPERATIONS	-26,131	-109,221
Interest Received	<u>89,867</u>	<u>62,944</u>
NET CASH FROM OPERATING ACTIVITIES	63,736	-46,277
Cash and Cash Equivalent at the beginning of the year	<u>196,144</u>	<u>242,421</u>
Cash and Cash Equivalent at the end of the year	<u>259,880</u>	<u>196,144</u>
RECONCILIATION OF CLOSING CASH BALANCES		
HSBC BANK	985	29,268
CENTRAL FINANCE BOARD	55,201	157,044
CFA BANK	<u>203,694</u>	<u>9,832</u>
	<u>259,880</u>	<u>196,144</u>

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

1. BASIS OF ACCOUNTING

1.1 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 (FRS 102) (Second Edition)" and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a "true and fair" view and 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 "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) (Second Edition)" rather than the Accounting and Reporting by Charities : Statement of Recommended Practice effective from 1, April 2005, which has since been withdrawn".

The financial statements have been prepared in accordance with the accounting policies set out in Note 2 to these accounts, and in accordance with the governing document of the Circuit.

1.2 The Circuit constitutes a public benefit entity as defined by FRS 102.

1.3 No changes to accounting estimates have occurred in the reporting period.

2. ACCOUNTING POLICIES

INCOMING RESOURCES

2.1 Recognition of Income

Income are recognised and included in the Statement of Financial Activities (SoFA)

when :

- > The Circuit becomes entitled to the resources;
- It is more likely than not that the trustees will receive the resource ; and
- > The monetary value can be measured with sufficient reliability.

> Circuit Assessment income recognition is based on the Circuit meeting's approved assessment on each individual church in the Circuit .

> Rental income is recognised on the basis of the rent as per the rental agreement.

2.2 Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

2.3 Grants and Donations

Grants and Donations are only included in the SoFA when the general income recognition criteria as stated above are met.

2.4 Volunteer Help

The value of any voluntary help received is not included in the accounts.

2.5 Settlement of Insurance Claims

Insurance claims are only included in the SoFA when the general income recognition criteria are met, and are included as an item of other income in the SoFA

2.6 Income from Interest, Royalties and Dividends

This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

2.7 Investment gains and losses

This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the financial year.

2.8 Rental Income

Rental income are only included in the SoFA when the general income recognition criteria are met.

APPLICATION OF RESOURCES

2.9 Liability Recognition

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the Circuit to pay out resources and the amount of the obligation can be measured with reasonable certainty.

2.10 Grants

Grants and donations are accounted for when paid.

2.11 Costs directly related to the work of the circuit.

The district assessment and ministerial stipends are accounted for when due.

FIXED ASSETS

2.12 Freehold land and buildings

Freehold land and buildings are accounted for at original Cost or subsequent valuation basis.

Tangible Fixed Assets

These are the manses managed by the Circuit. The Circuit manages five Manses

Fixed Asset Investments

These are the properties managed by the Circuit with the view to generate income or for their investment potential.

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

In the year under review, there were two such properties, and one closed-to-worship church building.

The freehold land and buildings mentioned above are shown in these accounts at valuation

2.13 Capitalisation

All Freehold land and building costs in excess of £1,000 in the year concerned are capitalised. Otherwise such costs are written off in the year of the expenditure.

2.14 Depreciation

Depreciable tangible freehold building values are depreciated at a rate calculated to write off the cost, less residual value, over their expected useful lives.

No Depreciation is provided on land values.

No Depreciation is provided on Investment properties. They are stated at market value.

Rate of depreciation on tangible freehold buildings - 2.5% on straight line basis.

2.15 Tangible fixtures, fittings and office equipment

All tangible fixtures, fittings and equipment used by the circuit are written off as and when incurred.

OTHER ACCOUNTING POLICIES

2.16 Funds

2.16.1 Unrestricted funds represent funds which are expendable at the discretion of the Circuit in the furtherance of its objects and which have not been designated for other purposes.

2.16.2 Restricted funds can only be used for specified purposes. The purpose of any restricted fund is noted in the financial statements.

2.17 Consolidation

The Circuit oversees the work of ministers and churches within the Circuit, but does not have control over those churches, or ministers. For this reason, the financial statements of the churches within the Circuit are not consolidated into these financial statements.

2.18 Going Concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Circuit has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees have therefore continued to adopt the going concern basis in preparing the Circuit's financial statements.

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024 (continued)

2.19 Employment Benefits

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

2.20 Taxation

In the opinion of the trustees, the Circuit is exempt from the United Kingdom Taxation on its incoming resources for the year.

2.21 Accounting estimates and judgements

In the application of the Circuit's accounting policies, the trustees are required to make judgements, estimates, and assumptions about carrying amount of assets and liabilities that are not readily apparent from other resources. The estimates and associated assumptions are based on historic 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 main assumption concerning the future of the Circuit is that the assessment income and income from the rental properties will continue to be sufficient to meet the costs of stipends, salaries manses maintenance , and district assessments. The annual budget, as approved by the Circuit meeting, includes sums necessary for covering these costs. This is then allocated among each church in the Circuit.

2.22 Financial Instruments

The Circuit only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.23 Apportionment Of Costs Between Activities

Governance and Other Costs are apportioned between Activities (Charitable and Expenditure to raise funds) on the basis of each activity's income in the year in relation to each other.

This policy excludes any exceptional and non-recurring items.

The main assumption concerning the future of the Circuit is that the assessment income will continue to be sufficient to meet the costs of stipends, salaries and manse maintenance. The annual budget, as approved by the Circuit meeting, includes sums necessary for covering these costs. This is then allocated among each church in the Circuit, hence the income is dependent upon the Churchs' ability to meet the assessment.

2.24 Financial Instruments

The Circuit only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2024

3 INCOMING RESOURCES

3.1 Charitable Activities income

	2024	2023	2024	2023	2023
	Unrestricted Funds	Restricted Funds	TOTAL Funds	Unrestricted Funds	Restricted Funds
	2024	2023	2024	2023	2023
	£	£	£	£	£
Circuit assessments	210,000	0	210,000	258,360	0
3.2 Investment income					
Central Finance Board Interest	3,544	0	3,544	5,676	0
TMCP Interest	86,063	260	86,323	57,118	150
Rental Income	212,623	0	212,623	110,554	0
	<u>302,230</u>	<u>260</u>	<u>302,490</u>	<u>173,348</u>	<u>150</u>
3.3 Other income					
Sale of Lambeth Mission Property	0	0	0	804,916	0
Others	0	0	0	1,045	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>805,961</u>	<u>0</u>

4 RESOURCES EXPENDED

4.1 EXPENDITURE ON RAISING FUNDS

4.1.1 DIRECT SPENDING

Properties Repairs and Maintenance	9,449	0	9,449	114,298	0
Rent Collection	13,759	0	13,759	1,579	0
Insurance	2,025	0	2,025	2,357	0
HMO Licences	4,519	0	4,519	0	0
Professional fees	0	0	0	17,527	0
Quinaquina Report	0	0	0	2,150	0
Property Utilities	6,441	0	6,441	6,956	0
	<u>36,193</u>	<u>0</u>	<u>36,193</u>	<u>144,867</u>	<u>0</u>

4.1.2 SUPPORT FOR EXPENDITURE TO RAISE FUNDS

Governance costs

Audit Fees	2,833	0	2,833	1,687	0
Accountancy Fees	1,445	0	1,445	964	0
Book-keeping charges	1,771	0	1,771	1,229	0
Legal Fees	0	0	0	771	0
Bank Charges	457	0	457	122	0
T M C P Charges	3,029	9	3,038	1,703	5
	<u>9,535</u>	<u>9</u>	<u>9,544</u>	<u>6,476</u>	<u>5</u>

4.1.3 OTHERS

Telephone	1,693	0	1,693	1,309	0
Post, Print and Stationery	1,896	0	1,896	1,361	0
Sundry Expenses	1,205	0	1,205	793	0
Subscription	1,524	0	1,524	611	0
IT and Website Expenses	361	0	361	247	0
	<u>6,679</u>	<u>0</u>	<u>6,679</u>	<u>4,321</u>	<u>0</u>

4.1.4 SUMMARY OF EXPENDITURE ON RAISING FUNDS

Direct Spending	36,193	0	36,193	144,867	0
Support for raising funds					
Governance	9,535	9	9,544	6,476	5
Others	6,679	0	6,679	4,321	0
	<u>52,407</u>	<u>9</u>	<u>52,416</u>	<u>155,664</u>	<u>5</u>

LAMBETH CIRCUIT METHODIST CHURCH
 INITIAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2024

	2024	2024	Total	2023	2023	Total
	Unrestricted Funds	Restricted Funds	2024	Unrestricted Funds	Restricted Funds	2023
	£	£	£	£	£	£
4.2 EXPENDITURE ON CHARITABLE ACTIVITIES						
4.2.1 DIRECT SPENDING						
District Assessment	77,676	0	77,676	75,412	0	75,412
Stipends, Pension and NIC	150,636	0	165,717	150,636	0	150,636
Salaries and NIC	42,486	0	42,486	32,354	0	32,354
Circuit Administration	0	0	0	5,426	0	5,426
Ministers' travelling expenses	3,741	0	2,256	3,741	0	3,741
	<u>288,135</u>	<u>0</u>	<u>288,135</u>	<u>267,569</u>	<u>0</u>	<u>267,569</u>
4.2.2 SUPPORT FOR CHARITABLE ACTIVITIES						
4.2.2.1 Premises Expenses						
Repairs to Manses	140,948	0	140,948	113,528	0	113,528
Manses Utilities	17,003	0	17,003	18,559	0	18,559
Property Consultancy fees	39,900	0	39,900	0	0	0
Quinquina Report	5,790	0	5,790	8,512	0	8,512
Insurance	7,014	0	7,014	6,968	0	6,968
	<u>210,655</u>	<u>0</u>	<u>210,655</u>	<u>147,567</u>	<u>0</u>	<u>147,567</u>
4.2.2.2 Governance costs						
Audit Fees	1,967	0	1,967	2,513	0	2,513
Accountancy Fees	1,003	0	1,003	1,436	0	1,436
Book-Keeping Charges	1,229	0	1,229	1,829	0	1,829
TMCP Charges	2,104	5	2,109	2,536	8	2,544
Bank Charges	317	0	317	182	0	182
Legal Fees	0	0	0	1,149	0	1,149
	<u>6,620</u>	<u>5</u>	<u>6,625</u>	<u>9,645</u>	<u>8</u>	<u>9,653</u>
4.2.2.3 Others						
DAF Contribution	123,676	0	123,676	100,206	0	100,206
Telephone	1,175	0	1,175	1,950	0	1,950
Post, Print and Stationery	1,317	0	1,317	2,026	0	2,026
Youth Expenses	292	0	292	7,334	0	7,334
Ascension Trust Project	3,220	0	3,220	920	0	920
Apprenticeship levy	1,359	0	1,359	1,337	0	1,337
	<u>131,039</u>	<u>0</u>	<u>131,039</u>	<u>113,773</u>	<u>0</u>	<u>113,773</u>
4.2.3 SUMMARY OF EXPENDITURE ON CHARITABLE ACTIVITIES						
Direct Spending	288,135	0	288,135	267,569	0	267,569
Support for charitable activities						
Premises Expenses	210,655	0	210,655	147,567	0	147,567
Governance	6,620	5	6,625	9,645	8	9,653
Others	131,039	0	131,039	113,773	0	113,773
	<u>636,454</u>	<u>5</u>	<u>636,454</u>	<u>538,554</u>	<u>8</u>	<u>538,562</u>
4.3 OTHER						
Sundry Expenses	837	0	837	1,181	0	1,181
Subscription	1,058	0	1,058	911	0	911
Removal Expenses	4,740	0	4,740	0	0	0
Staff Training	0	0	0	0	0	0
IT and Website Expenses	251	0	251	368	0	368
Lambeth Mission Redevelopment	89,428	0	89,428	187,348	0	187,348
Cleaning	0	0	0	103	0	103
Depreciation	1,606	0	1,606	0	0	0
Doubtful Debts Provision no longer required	0	0	0	-14,208	0	-14,208
Total Other expenditure	<u>97,920</u>	<u>0</u>	<u>97,920</u>	<u>175,703</u>	<u>0</u>	<u>175,703</u>

LAMBETH CIRCUIT METHODIST CHURCH
 INITIAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2024

	2	0	2	4		2	0	2	3
	Unrestricted	Restricted	Total		Unrestricted	Restricted	Total		
	Funds	Funds	2024		Funds	Funds	2023		
	£	£	£		£	£	£		
5. PRIOR YEAR ADJUSTMENT									
			2024				2023		
			£				£		
Under stated Rental income in prior years			<u>297,184</u>				<u>42,000</u>		

The prior year adjustment in the current year arose from the write off of the assessment debtors prior to 1, September 2023 but still outstanding as at 31, August 2024. The Circuit meeting on 27, June 2024 decided to write off all the assessment debtors balances as at 31, August 2024, except for the assessment debtors arising from the 2024 assessments.

The prior year adjustment in 2023 arose from the understated rental income disclosed in earlier years. As a result of a lease negotiations between the Circuit and one of its tenants, a revised rent was agreed at, effective from 30, April 2021. The Prior year adjustment represents the unaccounted for rent between 30, April 2021 and 01, September 2022.

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024 (continued)

6. FIXED ASSETS

6.1 TANGIBLE FIXED ASSETS

	office Equipment	Freehold Land & Buildings £	Total
COST OR VALUATION			
As at 1 September 2023	0	5,550,000	5,550,000
Additions during the year	<u>1,606</u>	<u>0</u>	<u>1,606</u>
Balance at 31, August 2024	<u>1,606</u>	<u>5,550,000</u>	<u>5,551,606</u>
DEPRECIATION			
As at 1 September 2023	<u>0</u>	0	0
Charged during the year	<u>1,606</u>	<u>0</u>	<u>1,606</u>
Balance at 31, August 2024	<u>1,606</u>	<u>0</u>	<u>1,606</u>
NET BOOK VALUE			
As at 31 August 2024	<u>0</u>	<u>5,550,000</u>	<u>5,550,000</u>
As at 31 August 2023	<u>0</u>	<u>5,550,000</u>	<u>5,550,000</u>

No depreciation has been provided for the year in respects of the freehold buildings as the trustees are of the opinion that the maintenance programmes to which these properties are subjected to ensures that the estimated residual values are not less than the stated values.

6.2 FIXED ASSETS INVESTMENTS

	Investments	Freehold Land & Buildings £	TOTAL
COST OR VALUATION			
As at 1 September 2023	1,810,185	3,420,000	5,230,185
Additions	86,323	0	86,323
Disposals	<u>-418,250</u>	<u>0</u>	<u>-418,250</u>
Balance as at 31, August 2024	<u>1,478,258</u>	<u>3,420,000</u>	<u>4,898,258</u>
NET BOOK VALUE			
As at 31 August 2024	<u>1,478,258</u>	<u>3,420,000</u>	<u>4,898,258</u>
As at 31 August 2023	<u>1,810,185</u>	<u>3,420,000</u>	<u>5,230,185</u>

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024 (continued)

7. INVESTMENTS

	2024	2023
	£	£
The following funds are held by TMCP on behalf of the Circuit		
Sale of Property - Trust 15175	24,257	23,075
De-Bourcier Bequest - Trust 8976	4,322	4,322
De-Bourcier Bequests - 8976A	3,369	3,205
De-Bourcier Bequests - 8976B	12,927	12,298
Bernard Searle Bequest - Trust 17694	1,687	1,605
Circuit Model Trust - Trust 22136	<u>1,431,696</u>	<u>1,765,680</u>
	<u>1,478,258</u>	<u>1,810,185</u>

TMCP Investments are held at the lower of cost and net realisable value.

8. INCOME FROM MATERIAL INVESTMENT HOLDINGS

	market value at 31/08/24	Income for the year
	£	£
Investment Property	3,420,000	212,623
Investment with TMCP	<u>1,478,258</u>	<u>86,323</u>
TOTAL	<u>4,898,258</u>	<u>298,946</u>

9. DEBTORS

	2024	2023
	£	£
Circuit Assessments from churches	9,900	302,490
Due from other Methodist Circuit	58,274	72,056
Sundry Debtors	6,465	6,115
Prepayments	<u>24,412</u>	<u>16,082</u>
	<u>99,051</u>	<u>396,743</u>

Basic financial assets, including other debtors and prepayments are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

10. BANK AND CASH BALANCES

	2024	2023
	£	£
HSBC Current Account	985	29,268
CAF Current Account	203,694	9,832
Central Finance Board	<u>55,201</u>	<u>157,044</u>
	<u>259,880</u>	<u>196,144</u>

Cash and cash equivalent includes cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024 (continued)

	2024	2023
	£	£
11. CREDITORS: Amounts falling due within one year		
Rent Received in Advance	6,636	6,636
Sundry Creditors	8,748	29,446
Accruals and other Creditors	<u>32,899</u>	<u>6,600</u>
	<u>48,283</u>	<u>42,682</u>

Basic financial liabilities, including trade and other creditors, loans from third parties and loans from related parties 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. Such instruments are subsequently carried at amortised cost using the effective interest method, less any impairment.

12. FUNDS

12.1 RESTRICTED FUNDS	2024	2023
	£	£
Balance Brought Forward 01/09/2021	7,285	7,148
Incoming Resources	260	150
Resources Expended	<u>-14</u>	<u>-13</u>
Balance Carried Forward 31/08/2024	<u>7,531</u>	<u>7,285</u>

12.1.2 DETAILED RESTRICTED FUNDS

	Ministerial Benevolent Training Fund		TOTAL 2024	Ministerial Benevolent Training Fund		Total 2023
	£	£	£	£	£	£
Bal. Brought Forward	4,134	3,151	7,285	4,043	3,105	7,148
Receipts	87	173	260	100	50	150
Payments	<u>-5</u>	<u>-9</u>	<u>-14</u>	<u>-9</u>	<u>-4</u>	<u>-13</u>
Bal. Carried Forward	<u>4,216</u>	<u>3,315</u>	<u>7,531</u>	<u>4,134</u>	<u>3,151</u>	<u>7,285</u>

The Ministerial Training fund is set up to provide training and development for local preachers in the Circuit

The Benevolent Fund relates to money raised for the relief of poverty and distress in the Circuit.

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024 (continued)

12.2 UNRESTRICTED FUNDS

	2024	2024	2023	2023
	£		£	£
Balance Brought Forward	11,323,105		10,913,357	
Prior-Year Adjustment	<u>-297,184</u>		<u>42,000</u>	
	<u>11,025,921</u>	11,025,921	<u>10,955,357</u>	10,955,357
Incoming Resources		512,230		1,237,669
Resources Expended		<u>-786,776</u>		<u>-869,921</u>
BALANCE CARRIED FORWARD		<u>10,751,375</u>		<u>11,323,105</u>

The prior year adjustment arises from the understated rental income disclosed in earlier years. As a result of a lease negotiations between the Circuit and one of its tenants, a revised rent was agreed at, effective from 30, April 2021. The Prior year adjustment represents the unaccounted for rent between 30, April 2021 and 01, September 2022.

13 DETAILS OF CERTAIN ITEMS OF EXPENDITURE

	2024	2023
	£	£
Audit Fees	4,800	4,200
Accountancy Fees	<u>2,448</u>	<u>2,400</u>
	<u>7,248</u>	<u>6,600</u>

14. PAID EMPLOYEES

	2024	2022
	£	£
Salaries, Employers Pension Contribution And Employers National Insurance	<u>42,486</u>	<u>32,354</u>
Average number of employees	<u>2</u>	<u>2</u>

No employee received emoluments in excess of £60,000 per annum.

15. RELATED PARTY TRANSACTIONS

15.1 TRUSTEES REMUNERATIONS AND BENEFITS

All the Ministers serving in the Circuit are members of the Circuit Meeting
No trustee received any remuneration nor benefits.

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024 (continued)

15.2 TRANSACTIONS WITH RELATED PARTIES

During the year, four Ministers who are also Trustees received stipends and expenses.

	2024	2023
Stipends	165,717	150,636
Reimbursed Expenses	2,256	3,741

Although the Circuit pays the ministerial stipends, the Ministers are not employed by the Circuit. Ministers are employed by Conference, but it is the responsibility of the Circuit to pay them.

There were no other related parties transactions for the year ended 31, August 2024.

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

16. POST BALANCE SHEET EVENTS

There has been no post balance sheet event which could materially affect these financial statements.

17. VOLUNTEER CONTRIBUTIONS

Every wing of the Methodist Church (Local Churches, Circuits, Districts, Connexion) in the United Kingdom is heavily reliant on volunteers who contribute their skills, time, money and their resources in the furtherance of the work of the church. Principally, this contribution is by serving on committees of the Circuit that deal with mission, manse, finance, policy, grants, training developments, etc, etc.

The contribution of volunteers is not included within the income of the Circuit. We are grateful to all for their help and commitments

18. MINISTERS' MANSE COSTS

The Circuit is required to provide accommodation for each Minister and his/her family. The Circuit bears the costs of repairs, maintenance, building insurance, Council Tax and water charges on the properties. These costs are not shown separately as benefit-in-kind for the Ministers as HMRC does not seek to tax these receipts in the hands of the Ministers. Similarly, these costs are not disclosed as related parties' transactions in these accounts

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024 (continued)

19. APPORTIONMENT OF SUPPORT COSTS BETWEEN ACTIVITIES.

	2024	2024	2024	2023	2023	
	Charitable Activities	Expenditure to raise funds	Total 2024	Charitable Activities	Expenditure to raise funds	Total 2023
	£	£	£	£	£	£
GOVERNANCE						
Audit	1,967	2,833	4,800	2,513	1,687	4,200
Accountancy	1,003	1,445	2,448	1,436	964	2,400
Book-keeping charges	1,229	1,771	3,000	1,829	1,229	3,058
Bank charges	317	457	774	182	122	304
Legal Fees	0	0	0	1,149	771	1,920
T M C P Charges	<u>2,109</u>	<u>3,038</u>	<u>5,147</u>	<u>2,544</u>	<u>1,708</u>	<u>4,252</u>
	<u>6,625</u>	<u>9,544</u>	<u>16,169</u>	<u>9,653</u>	<u>6,481</u>	<u>16,134</u>
OTHERS						
Telephone	1,175	1,693	2,868	1,950	1,309	3,259
Post, Print and station	1,317	1,896	3,213	2,026	1,361	3,387
Sundry Expenses	837	1,205	2,042	1,181	793	1,974
Subscription	1,058	1,524	2,582	911	611	1,522
IT and Website costs	<u>251</u>	<u>361</u>	<u>612</u>	<u>368</u>	<u>247</u>	<u>615</u>
	<u>4,638</u>	<u>6,679</u>	<u>11,317</u>	<u>6,436</u>	<u>4,321</u>	<u>10,757</u>

Governance and Other Costs are apportioned between Activities (Charitable and Expenditure to raise funds) on the basis of each activity's income in the year in relation to each other. This policy excludes any exceptional and non-recurring items.

LAMBETH CIRCUIT METHODIST CHURCH

England & Wales - Charity number 1175488

Accounts

LAMBETH CIRCUIT METHODIST CHURCH

Charity registration number - 1175488

REPORT AND ACCOUNTS

YEAR ENDED 31 AUGUST 2023

LAMBETH CIRCUIT METHODIST CHURCH
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2023

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LAMBETH CIRCUIT METHODIST CHURCH

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2023

CHARITY INFORMATION

Charity Registration number- 1175488

Principal address
Clapham Methodist Church
Nelson's Row
London SW4 7JR

Bankers -
HSBC Plc
Wimbledon Hill Road
Wimbledon
London. SW19 7NF

CENTRAL FINANCE BOARD
9, Bonhill Street,
London. EC2A 4PE

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

Auditors
Adomako Basoah & Co.
45 Tindale Close
Sanderstead
Surrey. CR2 0RQ

LAMBETH CIRCUIT METHODIST CHURCH
TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31, AUGUST 2023

The Trustees present their report together with the Audited financial statements for the year ended 31, August 2023

BASIS OF ACCOUNTS PREPARATION

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 (FRS 102) (Second Edition)" and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015

The financial statements have been prepared to give a "true and fair" view and 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 "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) (Second Edition)" rather than the Accounting and Reporting by Charities : Statement of Recommended Practice effective from 1, April which has since been withdrawn".

The financial statements have been prepared in accordance with the accounting policies set out in Note 2 to these accounts, and in accordance with the governing document of the Circuit.

GOVERNING DOCUMENT AND OBJECTIVE

The governing document for the circuit is the Deed of Union (1932) and the Methodist Church Act (1976).

The Purpose 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 discipline of the Methodist Church;
- (b) any charitable purposes 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 subsidiary or ancillary to The Methodist Church;
- (d) any purpose for the time being of any charity subsidiary or ancillary to The Methodist Church.

In striving to achieve its objectives, the Trustees give careful consideration to the Charity Commission's general guidance on public benefit.

We confirm that the Circuit is a public benefit entity as defined by FRS 102.

TRUSTEES

The Trustees of the Circuit are selected from given office holders of the Methodist Church

**LAMBETH CIRCUIT METHODIST CHURCH
TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31, AUGUST 2023 (continued)**

REFERENCE AND ADMINISTRATIVE DETAILS

The Circuit is managed on day to day basis by the Superintendent minister, the Circuit ministers and the Circuit Stewards.

The Circuit Meeting Members who are also trustees are

District Chair	Revd Nigel Cowgill
Superintendent Minister	Revd Andrew Dart
Acting Superintendent Minister	Revd Dr Andrew Lyons
Circuit Ministers	Revd Kristin Markay Revd Lena Ali Revd Rita King
Minister resident in the Circuit	Revd Andrew Goodhead
Supernumerary residing in Circuit	Revd Gordon Ashworth Revd Graham Thomas Revd Dani Wright
Circuit Stewards	Nancy Acquaah Alice Achola-Omara Daniel Sackey Christine Annor Victoria Odojin Abigail Tagoe Comfort Babawale Elizabeth Oyeledun Vivian Korley Raymonde Chintoh Patience Oluwa Clement Cofie Nana Dormon
Circuit Treasurer	Kojo Amoah-Arko
Assistant Treasurer	Opuwale Lawson
Circuit Meeting Secretary	Arabella Hyde
Local Preachers' Secretary	Elizabeth Oyeledun
Property Group Co-Ordinator	Robert Smyth
Safeguarding Co-Ordinator	Sandra Taylor
Young Peoples' Representative	Janet Opong/Danielle Young

**LAMBETH CIRCUIT METHODIST CHURCH
TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31, AUGUST 2023 (continued)**

Local Church Representatives:

Streatham	Pat Ashworth Carl Opare-Addo Tina Rawlings Jacob Arkaah
Tulse Hill	Christine Annor Kwadwo Asamoah-Boadu Emmanuel Bentsi-Abban Carmen Gamet Rose Agnes Baiden Trevor Hyde
Brixton Hill	Kathy Rennalls Janet Oppong Robert Smyth Enley Taylor Nike Musa Eva Kyei Kofi Kyei
Mostyn Road	Akuba Forson Nana Dormon Francisca Gaspar
Railton Road	Comfort Babawale Temitope Tayo Jennifer Davis Andy Kalamuso
Clapham	Solomon Quaye Dorothy Blincoe Antonia Buamah Sharon Bryan Regina Carrera Ola Fadugba Fiona Owuru
Stockwell	Rebecca Ekan Leticia Quayson Alice Aduku Nathaniel Beury Lorna Simpson

**LAMBETH CIRCUIT METHODIST CHURCH
TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31, AUGUST 2023 (continued)**

Springfield

Kola Ajao
Harriet Nsowah
Elenor Buaku
Ben Johnson

LMSM's & Vauxhall Mission

Ursula Ovenden
Alice Achola-Omara
David Vilares
Barbara Afful

BANKERS AND AUDITORS

Bankers

HSBC Bank Plc
Central Finance Board of the Methodist Church
CAF Bank Limited

Auditors

Adomako Basoah & Co
Chartered Certified Accountants
45 Tindale Close
Sanderstead
Surrey. CR2 0RT

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Circuit is managed by a leadership team made up of the ministers, the Circuit stewards and local church representatives. The Circuit ensures that incoming stewards are well equipped by arranging for them to attend training and seminars organised by the District and the Circuit for that purposes.

The Circuit Leadership team meets periodically to discuss finance, property and other matters pertaining to the life of the Circuit and to make recommendations to the Circuit Meeting.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Circuit Meeting also meets at least twice a year to consider recommendations and receive reports from and to the Methodist Conference, London District Synod, the Circuit Leadership Team and the Circuit Stewards, and conducts other business as appropriate.

FUNCTIONS OF THE CIRCUIT

Mission statement

The Circuit's mission statement is "to be open to God, open to Life and open to the world".

The main function of the Circuit is to provide the support mechanism to the local churches within the Circuit. Careful consideration of the Charity Commission's general guidance on public benefit has been borne in mind in reviewing the functions of the Circuit and in planning its activities. The trustees consider the current activities as detailed in this report deliver public benefit.

**LAMBETH CIRCUIT METHODIST CHURCH
TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31, AUGUST 2023 (continued)**

The Circuit is responsible for the following:

- * To provide ministerial oversight and pastoral care for the 9 local churches in the Circuit
- * To Support the ministerial team of 6 presbyteral ministers.
- * To maintain 5 manses and to manage 3 investment properties.
- * To support local churches in providing place for worship

MAIN GOALS FOR THE YEAR

The main goals for the year were:

- * To identify priorities for further use and application of funds at the disposal of the Circuit
- * to use its resources effectively to further its mission
- * to develop its work among the young people
- * to investigate ways of working together to achieve the objectives of the circuit

The Trustees were able to achieve the goals as set at the beginning of the year

ACHIEVEMENTS AND PERFORMANCE

Review of past performance

In furtherance of its goals, the Circuit continued to develop the youth project in partnership with the Accension Trust at Kings Acre church premises.

Church. The Circuit recorded a surplus of £367,885 (2022 - deficit of £260,422) before revaluation gains for the year. The main reason was the refund from TMCP for replacement project for Lambeth Mission for £804,916 in the year.

Reserves

The balance of the unrestricted funds at 31 August 2023 was £11,323,105 (2022 - £10,913,357) This includes the value of the Fixed Assets of £8,970,000 thereby leaving a net liquid balance of £2,353,105 for the general running of the Circuit.

Plans for the future

Following the merger, the Circuit has embarked on a programme of exploring mission initiatives involving collaboration with other ecumenical churches in the furtherance of its objectives.

Reserve Policy

The Trustees endeavour to maintain sufficient Reserves to ensure that the Circuit is on a "going concern" basis at all times.

The Circuit General Fund (Unrestricted fund) balance at the end of the year was £2,353,105. This excludes the value of the circuit properties of £8,970,000

**LAMBETH CIRCUIT METHODIST CHURCH
TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31, AUGUST 2023 (continued)**

Our reserves policy is to hold at least 6 month's expenditure. With the current level of annual expenditure (£870 K) the expected level of Reserves should be £435K, compared to the actual readily available reserves (Circuit General Fund balance less properties values) of £2,353 K. Even though the current reserves are far in excess of the recommended level the trustees do not consider the level as excessive as there are mission objectives that will require the use of such funds.

Risk Analysis

The Trustees have examined the principal areas of their operations and considered what major risks could arise in each of these areas. In the opinion of the Trustees, resources and review systems have been established which, in the normal conditions, should allow the risks identified by them to be mitigated to an acceptable level in their day to day operations.

Going concern

The trustees consider that the Circuit has adequate financial resources to continue in operation for the foreseeable future.

Following the gradual easing of the Covid-19 restriction, there has been an increase in the church attendance. The new circuit has therefore began to form strategic groups in the running of the Circuit. This covers the areas of property, finance, mission and administration. This will ensure that the mission life of the circuit is revived which will increase the congregational collections.

The trustees therefore consider that the going concern basis remains a reasonable basis for the preparation of the Circuit accounts.

Post Balance Sheet Events

The trustees are not aware of any post balance sheet events which could materially affect these financial statements

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Acceptable Accounting Practice)

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a "true and fair view" of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year. In preparing these financial statements the Trustees are required to:

- > select suitable accounting policies and then apply them consistently
- > observe the methods and principles in the Charities SORP
- > 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 financial statements
- > prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

**LAMBETH CIRCUIT METHODIST CHURCH
TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31, AUGUST 2023 (continued)**

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 Charities Act of 2011, the appropriate Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Circuit and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware;

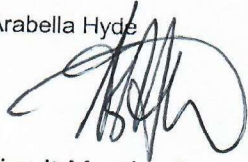
- > There is no relevant audit information of which the Circuit's auditor is unaware; and
- > the trustees have taken all steps that they ought to have to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

APPROVAL

This report was approved by the Circuit Trustees on their behalf by :

27/06/ 2024, and signed on

Arabella Hyde



Circuit Meeting Secretary

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAMBETH CIRCUIT METHODIST CHURCH

REPORT ON THE FINANCIAL STATEMENTS

UNQUALIFIED OPINION

We have audited the financial statements of The Lambeth Circuit Methodist Church (the charity) for the year ended 31, August 2023, which comprise of the Statement of Financial Activities, the Balance Sheet, the statement of cash flows 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 United Kingdom and the Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice)

In our opinion the financial statements :

- give a true and fair view of the state of the Charity's affairs as at 31, August 2023 and of its incoming resources and application of resources for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011

BASIS FOR UNQUALIFIED 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 Standards, 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 unqualified opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

OTHER INFORMATION

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAMBETH CIRCUIT METHODIST CHURCH
(Continued)**

The Trustees are responsible for the other information contained within the annual report. 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.

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 course of 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 financial statements 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.

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 Report) 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 financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF THE TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, the trustees are responsible for the preparation of the financial statements 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 the financial statements that are free from material misstatement whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS.

We have been appointed as Auditor under Section 144/145 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAMBETH CIRCUIT METHODIST CHURCH
(Continued)**

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

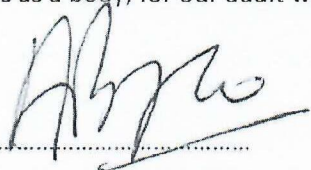
- > As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit.
- > At the commencement of the audit, we obtained an understanding of the legal and regulatory framework applicable to the Charity, and how the Charity is complying with that framework.
- > We assessed the susceptibility of the Charity's financial statements to material misstatement, including how fraud might occur
- > Our engagement partner's assessment of whether the engagement team collectively had the appropriate competence and capabilities to identify or recognize non-compliance with laws and regulations.
- > all matters about non-compliance with laws and regulations and fraud which were detected by the engagement team were to be communicated to the engagement partner.
- > Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

A further description of our responsibilities 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.

USE OF OUR REPORT

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.


.....

Adomako Basoah & Co.
Statutory Auditor

27/06/2024
.....

45, Tindale Close
Sanderstead
South Croydon
Surrey. CR2 0RT

ADOMAKO BASOAH & CO is eligible for appointment as Auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

LAMBETH CIRCUIT METHODIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2023

	Note	Unrestricted £	Restricted £	Total £	2022 £
INCOMING RESOURCES					
Charitable Activities	3.1	258,360	0	258,360	289,080
Investment income	3.2	173,348	150	173,498	105,364
Other Income	3.3	<u>805,961</u>	<u>0</u>	<u>805,961</u>	<u>859</u>
		<u>1,237,669</u>	<u>150</u>	<u>1,237,819</u>	<u>395,303</u>
RESOURCES EXPENDED					
Expenditure on Raising Funds	4.1.4	155,664	5	155,669	116,206
Expenditure on Charitable Activities	4.2.3	538,554	8	538,562	504,372
Others	4.3	<u>175,703</u>	<u>0</u>	<u>175,703</u>	<u>35,147</u>
TOTAL RESOURCES USED		<u>869,921</u>	<u>13</u>	<u>869,934</u>	<u>655,725</u>
NET INCOME/ (DEFICIT) FOR THE YEAR Before Recognised Gains		367,748	137	367,885	(260,422)
BALANCE BROUGHT FORWARD		<u>10,955,357</u>	<u>7,148</u>	<u>10,962,505</u>	<u>11,180,927</u>
BALANCE CARRIED FORWARD		<u>11,323,105</u>	<u>7,285</u>	<u>11,330,390</u>	<u>10,920,505</u>

All activities are derived from continuing operations

There are no further recognised (losses)/ gains other than the (deficit)/income for the above financial years.


The notes to the financial statements form an integral part of these financial statements.


LAMBETH CIRCUIT METHODIST CHURCH
BALANCE SHEET AS AT 31 AUGUST 2023

FIXED ASSETS	Note	unrestricted Restricted T O T A L			2022
		£	£	£	£
Tangible Fixed Assets	6.1	5,550,000	0	5,550,000	5,550,000
Investments	6.2	<u>3,420,000</u>	<u>0</u>	<u>3,420,000</u>	<u>3,420,000</u>
Total Fixed Assets		<u>8,970,000</u>	<u>0</u>	<u>8,970,000</u>	<u>8,970,000</u>
CURRENT ASSETS					
Investments	7	1,810,185	0	1,810,185	1,496,112
Debtors	9	396,743	0	396,743	300,060
Bank and cash balances	10	<u>188,859</u>	<u>7,285</u>	<u>196,144</u>	<u>242,421</u>
		<u>2,395,787</u>	<u>7,285</u>	<u>2,403,072</u>	<u>2,038,593</u>
CREDITORS: Amounts falling due within one year	11	<u>42,682</u>	<u>0</u>	<u>42682</u>	<u>88,088</u>
TOTAL NET CURRENT ASSETS		<u>2,353,105</u>	<u>7,285</u>	<u>2360390</u>	<u>1,950,505</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>11,323,105</u>	<u>7,285</u>	<u>11,330,390</u>	<u>10,920,505</u>
FUNDS					
Restricted Funds	12.1	0	7,285	7,285	7,148
Unrestricted Funds	12.2	<u>11,323,105</u>	<u>0</u>	<u>11,323,105</u>	<u>10,913,357</u>
		<u>11,323,105</u>	<u>7,285</u>	<u>11,330,390</u>	<u>10,920,505</u>

The notes to the financial statements form an integral part of these financial statements.

Approved by the Trustees on.....27/06/.....2024
and signed on their behalf by :


Revd Dr. Andrew Lyons
Acting Superintendent Minister


Kojo Amoah-Arko
Circuit Treasurer

LAMBETH CIRCUIT METHODIST CHURCH

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31, AUGUST 2023

CASH FLOWS FROM OPERATING ACTIVITIES

Net Operating Income	£ 367,885
ADJUSTMENT FOR :	
Interest Receivable and Similar income	-62,944
Non- Monetary income Doubtful debts provision no longer required	-14,208
PRIOR YEAR ADJUSTMENT	42,000
CHANGES IN :	
T M C P Trusts	-314,073
Debtors	-82,475
Creditors	<u>-45,406</u>
CASH GENERATED FROM OPERATIONS	-109221
Interest Received	<u>62,944</u>
NET CASH FROM OPERATING ACTIVITIES	-46277
Cash and Cash Equivalent at the beginning of the year	<u>242,421</u>
Cash and Cash Equivalent at the end of the year	<u>196144</u>
RECONCILAITION OF CLOSING CASH BALANCES	
HSBC BANK	29,268
CENTRAL FINANCE BOARD	157,044
CFA BANK	<u>9,832</u>
	<u>196,144</u>

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

1. BASIS OF ACCOUNTING

1.1 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 (FRS 102) (Second Edition)" and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a "true and fair" view and 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 "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) (Second Edition)" rather than the Accounting and Reporting by Charities : Statement of Recommended Practice effective from 1, April 2005, which has since been withdrawn".

The financial statements have been prepared in accordance with the accounting policies set out in Note 2 to these accounts, and in accordance with the governing document of the Circuit.

1.2 The Circuit constitutes a public benefit entity as defined by FRS 102.

1.3 No changes to accounting estimates have occurred in the reporting period.

2. ACCOUNTING POLICIES INCOMING RESOURCES

2.1 Recognition of Income

Income are recognised and included in the Statement of Financial Activities (SoFA) when :

- > The Circuit becomes entitled to the resources;
It is more likely than not that the trustees will receive the resource ; and
- > The monetary value can be measured with sufficient reliability.

- > Circuit Assessment income recognition is based on the Circuit's Budgeted assessment on each individual church in the Circuit .
- > Rental income is recognised on the basis of the rent as per the rental agreement.

2.2 Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

2.3 Grants and Donations

Grants and Donations are only included in the SoFA when the general income recognition criteria as stated above are met.

2.4 Volunteer Help

The value of any voluntary help received is not included in the accounts.

2.5 Settlement of Insurance Claims

Insurance claims are only included in the SoFA when the general income recognition criteria are met, and are included as an item of other income in the SoFA

2.6 Income from Interest, Royalties and Dividends

This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

2.7 Investment gains and losses

This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the financial year.

2.8 Rental Income

Rental income are only included in the SoFA when the general income recognition criteria are met.

APPLICATION OF RESOURCES

2.9 Liability Recognition

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the Circuit to pay out resources and the amount of the obligation can be measured with reasonable certainty.

2.10 Grants

Grants and donations are accounted for when paid.

2.11 Costs directly related to the work of the circuit.

The district assessment and ministerial stipends are accounted for when due.

FIXED ASSETS

2.12 Freehold land and buildings

Freehold land and buildings are accounted for at original Cost or subsequent valuation basis.

Tangible Fixed Assets

These are the manses managed by the Circuit. The Circuit manages five Manses

Fixed Asset Investments

These are the properties managed by the Circuit with the view to generate income or for their investment potential.

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

In the year under review, there were two such properties, and one closed-to-worship church building.

The freehold land and buildings mentioned above are shown in these accounts at valuation

2.13 Capitalisation

All Freehold land and building costs in excess of £1,000 in the year concerned are capitalised. Otherwise such costs are written off in the year of the expenditure.

2.14 Depreciation

Depreciable tangible freehold building values are depreciated at a rate calculated to write off the cost, less residual value, over their expected useful lives.

No Depreciation is provided on land values.

No Depreciation is provided on Investment properties. They are stated at market value.

Rate of depreciation on tangible freehold buildings - 2.5% on straight line basis.

2.15 Tangible fixtures, fittings and office equipment

All tangible fixtures, fittings and equipment used by the circuit are written off as and when incurred.

OTHER ACCOUNTING POLICIES

2.16 Funds

2.16.1 Unrestricted funds represent funds which are expendable at the discretion of the Circuit in the furtherance of its objects and which have not been designated for other purposes.

2.16.2 Restricted funds can only be used for specified purposes. The purpose of any restricted fund is noted in the financial statements.

2.17 Consolidation

The Circuit oversees the work of ministers and churches within the Circuit, but does not have control over those churches, or ministers, . For this reason, the financial statements of the churches within the Circuit are not consolidated into these financial statements.

2.18 Going Concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Circuit has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees have therefore continued to adopt the going concern basis in preparing the Circuit's financial statements.

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (continued)

2.19 Employment Benefits

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

2.20 Taxation

In the opinion of the trustees, the Circuit is exempt from the United Kingdom Taxation on its incoming resources for the year.

2.21 Accounting estimates and judgements

In the application of the Circuit's accounting policies, the trustees are required to make judgements, estimates, and assumptions about carrying amount of assets and liabilities that are not readily apparent from other resources. The estimates and associated assumptions are based on historic 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 main assumption concerning the future of the Circuit is that the assessment income and income from the rental properties will continue to be sufficient to meet the costs of stipends, salaries manses maintenance , and district assessments. The annual budget, as approved by the Circuit meeting, includes sums necessary for covering these costs. This is then allocated among each church in the Circuit.

2.22 Financial Instruments

The Circuit only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.23 Apportionment Of Costs Between Activities

Governance and Other Costs are apportioned between Activities (Charitable and Expenditure to raise funds) on the basis of each activity's income in the year in relation to each other.

This policy excludes any exceptional and non-recurring items.

The main assumption concerning the future of the Circuit is that the assessment income will continue to be sufficient to meet the costs of stipends, salaries and manse maintenance. The annual budget, as approved by the Circuit meeting, includes sums necessary for covering these costs. This is then allocated among each church in the Circuit, hence the income is dependent upon the Church's ability to meet the assessment.

2.24 Financial Instruments

The Circuit only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2023 (Continued)

3 INCOMING RESOURCES

3.1 Charitable Activities income

	Unrestricted Funds	Restricted Funds	TOTAL Fund 2023	2022 Unrestricted Fund	2022 Restricted Fund	2022 Total Fund
	£	£	£	£	£	£
Circuit assessments	<u>258,360</u>	<u>0</u>	<u>258,360</u>	<u>289,080</u>	<u>0</u>	<u>289,080</u>
3.2 Investment income						
Central Finance Board Interest	5,676	0	5,676	581	0	581
TMCP Interest	57,118	150	57,268	7,761	22	7,783
Rental Income	<u>110,554</u>	<u>0</u>	<u>110,554</u>	<u>97,000</u>	<u>0</u>	<u>97,000</u>
	<u>173,348</u>	<u>150</u>	<u>173,498</u>	<u>105,342</u>	<u>22</u>	<u>105,364</u>
3.3 Other income						
Sale of Lambeth Mission Property	804,916	0	804,916	0	0	0
Others	<u>1,045</u>	<u>0</u>	<u>1,045</u>	<u>859</u>	<u>0</u>	<u>859</u>
	<u>805,961</u>	<u>0</u>	<u>805,961</u>	<u>859</u>	<u>0</u>	<u>859</u>

4 RESOURCES EXPENDED

4.1 EXPENDITURE ON RAISING FUNDS

4.1.1 DIRECT SPENDING

Properties Repairs and Maintenance	114,298	0	114,298	90,553	0	90,553
Rent Collection	1,579	0	1,579	6,360	0	6,360
Insurance	2,357	0	2,357	2,012	0	2,012
Legal Fees	0	0	0	800	0	800
Professional fees	17,527	0	17,527	2,640	0	2,640
Quinaquina Report	2,150	0	2,150	0	0	0
Council Tax, Light and Heat	<u>6,956</u>	<u>0</u>	<u>6,956</u>	<u>2,138</u>	<u>0</u>	<u>2,138</u>
	<u>144,867</u>	<u>0</u>	<u>144,867</u>	<u>104,503</u>	<u>0</u>	<u>104,503</u>

4.1.2 SUPPORT FOR EXPENDITURE TO RAISE FUNDS

Governance costs

Audit Fees	1,687	0	1,687	1,122	0	1,122
Accountancy Fees	964	0	964	641	0	641
Book-keeping charges	1,229	0	1,229	1,632	0	1,632
Legal Fees	771	0	771	0	0	0
Bank Charges	122	0	122	64	0	64
T M C P Charges	<u>1,703</u>	<u>5</u>	<u>1,708</u>	<u>1,511</u>	<u>4</u>	<u>1,515</u>
	<u>6,476</u>	<u>5</u>	<u>6,481</u>	<u>4,970</u>	<u>4</u>	<u>4,974</u>

4.1.3 OTHERS

Telephone	1,309	0	1,309	922	0	922
Post, Print and Stationery	1,361	0	1,361	1,367	0	1,367
Sundry Expenses	793	0	793	3,080	0	3,080
Subscription	611	0	611	826	0	826
Staff Training	0	0	0	107	0	107
IT and Website Expenses	<u>247</u>	<u>0</u>	<u>247</u>	<u>427</u>	<u>0</u>	<u>427</u>

	<u>4,321</u>	<u>0</u>	<u>4,321</u>	<u>6,729</u>	<u>0</u>	<u>6,729</u>
4.1.4 SUMMARY OF EXPENDITURE ON RAISING FUNDS						
Direct Spending	144,867	0	144,867	104,503	0	104,503
Support for raising funds						
Governance	6,476	5	6,481	4,970	4	4,974
Others	<u>4,321</u>	<u>0</u>	<u>4,321</u>	<u>6,729</u>	<u>0</u>	<u>6,729</u>
	<u>155,664</u>	<u>5</u>	<u>155,669</u>	<u>116,202</u>	<u>4</u>	<u>116,206</u>

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2023 (Continued)

	Unrestricted Funds	Restricted Funds	Total 2023	2023 Unrestricted Funds	2023 Restricted Funds	Total 2022
	£	£	£	£	£	£
4.2 EXPENDITURE ON CHARITABLE ACTIVITIES						
4.2.1 DIRECT SPENDING						
District Assessment	75,412	0	75,412	65,248	0	65,248
Stipends, Pension and NIC	150,636	0	150,636	204,375	0	204,375
Salaries and NIC	32,354	0	32,354	26,091	0	26,091
Circuit Administration	5,426	0	5,426	8,369	0	8,369
Ministers' travelling expenses	<u>3,741</u>	<u>0</u>	<u>3,741</u>	<u>2,503</u>	<u>0</u>	<u>2,503</u>
	<u>267,569</u>	<u>0</u>	<u>267,569</u>	<u>306,586</u>	<u>0</u>	<u>306,586</u>
4.2.2 SUPPORT FOR CHARITABLE ACTIVITIES						
4.2.2.1 Premises Expenses						
Repairs to Manses	113,528	0	113,528	3,269	0	3,269
Manses Utilities	18,559	0	18,559	12,918	0	12,918
Quinquina Report	8,512	0	8,512	2,340	0	2,340
Insurance	<u>6,968</u>	<u>0</u>	<u>6,968</u>	<u>6,692</u>	<u>0</u>	<u>6,692</u>
	<u>147,567</u>	<u>0</u>	<u>147,567</u>	<u>25,219</u>	<u>0</u>	<u>25,219</u>
4.2.2.2 Governance costs						
Audit Fees	2,513	0	2,513	3,078	0	3,078
Accountancy Fees	1,436	0	1,436	1,759	0	1,759
Book-Keeping Charges	1,829	0	1,829	4,476	0	4,476
TMCP Charges	2,536	8	2,544	4,147	9	4,156
Bank Charges	182	0	182	177	0	177
Legal Fees	<u>1,149</u>	<u>0</u>	<u>1,149</u>	<u>3,600</u>	<u>0</u>	<u>3,600</u>
	<u>9,645</u>	<u>8</u>	<u>9,653</u>	<u>17,237</u>	<u>9</u>	<u>17,246</u>
4.2.2.3 Others						
DAF Contribution	100,206	0	100,206	138,077	0	138,077
Telephone	1,950	0	1,950	2,531	0	2,531
Post, Print and Stationery	2,026	0	2,026	3,750	0	3,750
Youth Expenses	7,334	0	7,334	4,260	0	4,260
Ascension Trust Project	920	0	920	5,520	0	5,520
Apprenticeship levy	<u>1,337</u>	<u>0</u>	<u>1,337</u>	<u>1,183</u>	<u>0</u>	<u>1,183</u>
	<u>113,773</u>	<u>0</u>	<u>113,773</u>	<u>155,321</u>	<u>0</u>	<u>155,321</u>
4.2.3 SUMMARY OF EXPENDITURE ON CHARITABLE ACTIVITIES						
Direct Spending	267,569	0	267,569	306,586	0	306,586
Support for charitable activities						
Premises Expenses	147,567	0	147,567	25,219	0	25,219
Governance	9,645	8	9,653	17,237	9	17,246
Others	<u>113,773</u>	<u>0</u>	<u>113,773</u>	<u>155,321</u>	<u>0</u>	<u>155,321</u>
	<u>538,554</u>	<u>8</u>	<u>538,562</u>	<u>504,363</u>	<u>9</u>	<u>504,372</u>
4.3 OTHER						
Sundry Expenses	1,181	0	1,181	8,452	0	8,452
Subscription	911	0	911	2,267	0	2,267
Payroll Costs	0	0	0	960	0	960
Staff Training	0	0	0	295	0	295
IT and Website Expenses	368	0	368	1,173	0	1,173
Lambeth Mission Redevelopment	187,348	0	187,348	0	0	0
Bad Debts	0	0	0	22,000	0	22,000
Cleaning	103	0	103	0	0	0
Doubtful Debts Provision no longer required	<u>-14,208</u>	<u>0</u>	<u>-14,208</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other expenditure	<u>175,703</u>	<u>0</u>	<u>175,703</u>	<u>35,147</u>	<u>0</u>	<u>35,147</u>

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2023 (Continued)

5. PRIOR YEAR ADJUSTMENT

	2023	2022
	£	£
Under stated Rental Income in prior years	<u>42,000</u>	<u>0</u>

The prior year adjustment arises from the understated rental income disclosed in earlier years.

As a result of a lease negotiations between the Circuit and one of its tenants, a revised rent was agreed at, effective from 30, April 2021. The Prior year adjustment represents the unaccounted for rent between 30, April 2021 and 01, September 2022.

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (continued)

6. FIXED ASSETS**6.1 TANGIBLE FIXED ASSETS**

	Freehold Land & Buildings £
COST OR VALUATION	
As at 1 September 2022 and 31, August 2023	<u>5,550,000</u>
DEPRECIATION	
As at 1 September 2022 and 31 August 2023	<u>-</u>
NET BOOK VALUE	
As at 31 August 2023	<u>5,550,000</u>
As at 31 August 2022	<u>5,550,000</u>

6.2 FIXED ASSETS INVESTMENTS**COST OR VALUATION**

	Freehold Land & Buildings £
As at 1 September 2022 and 31, August 2023	<u>3,420,000</u>

NET BOOK VALUE

As at 31 August 2023	<u>3,420,000</u>
As at 31 August 2022	<u>3,420,000</u>

No depreciation has been provided in respect of tangible fixed assets for the year as the trustees are of the opinion that the maintenance programmes to which these properties are subjected to ensures that the estimated residual values are not less than the stated values.

7. INVESTMENTS

	2023	2022
The following funds are held by TMCP on behalf of the Circuit	£	£
Sale of Property - Trust 15175	23,075	22,420
De-Bourcier Bequest - Trust 8976	4,322	4,322
De-Bourcier Bequests - 8976A	3,205	3,114
De-Bourcier Bequests - 8976B	12,298	11,948
Bernard Searle Bequest - Trust 17694	1,605	1,559
Circuit Model Trust - Trust 22136	<u>1,765,680</u>	<u>1,452,749</u>
	<u>1,810,185</u>	<u>1,496,112</u>

T M C P Investments are held at the lower of cost and net realisable value.

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (continued)

8. INCOME FROM MATERIAL INVESTMENT HOLDINGS

	market value at 31/08/23 £	Income for the year £
Investment Property	3,420,000	110,554
Investment with TMCP	<u>1,810,185</u>	<u>57,268</u>
TOTAL	<u>5,230,185</u>	<u>167,822</u>

9. DEBTORS

	2023 £	2022 £
Circuit Assessments from churches	302,490	251,658
Due from other Methodist Circuit	72,056	18,518
Rent Debtor	0	3,500
Sundry Debtors	6,115	4,670
Prepayments	<u>16,082</u>	<u>21,714</u>
	<u>396,743</u>	<u>300,060</u>

Basic financial assets, including other debtors and prepayments are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

10. BANK AND CASH BALANCES

	2023 £	2022 £
HSBC Current Account	29,268	91,155
CAF	9,832	5,913
C F B	<u>157,044</u>	<u>145,353</u>
	<u>196,144</u>	<u>242,421</u>

Cash and cash equivalent includes cash in hand, deposits held at call with banks, other short-term liquid Investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (continued)

	2023	2022
	£	£
<u>11. CREDITORS: Amounts falling due within one year</u>		
Rent Received in Advance	6,636	4,219
Due to other Methodist Church	-	60,000
Sundry Creditors	29,445	13,402
Accruals and other Creditors	<u>6,600</u>	<u>10,467</u>
	<u>42,681</u>	<u>88,088</u>

Basic financial liabilities, including trade and other creditors, loans from third parties and loans from related parties 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. Such instruments are subsequently carried at amortised cost using the effective interest method, less any impairment.

12. FUNDS

12.1 RESTRICTED FUNDS	2023	2022
	£	£
Balance Brought Forward 01/09/2021	7,148	7,139
Incoming Resources	150	22
Resources Expended	<u>-13</u>	<u>-13</u>
Balance Carried Forward 31/08/2022	<u>7,285</u>	<u>7,148</u>

12.1.2 DETAILED RESTRICTED FUNDS

	Ministeria Benevoler		TOTAL	2 0 2 2 Ministerial Benevolent		Total	2022
	Training	Fund	2023	Training	Fund		2022
	£	£	£	£	£		£
Bal. Brought Forwar	4,043	3,105	7,148	4,037	3,102		7,139
Receipts	100	50	150	15	7		22
Payments	<u>-9</u>	<u>-4</u>	<u>-13</u>	<u>-9</u>	<u>-4</u>		<u>-13</u>
Bal. Carried Forward	<u>4,134</u>	<u>3,151</u>	<u>7,285</u>	<u>4,043</u>	<u>3,105</u>		<u>7,148</u>

The Ministerial Training fund is set up to provide training and development for local preachers in the Circuit

The Benevolent Fund relates to money raised for the relief of poverty and distress in the Circuit.

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (continued)

12.2 UNRESTRICTED FUNDS

	2023		2022
	£		£
Balance Brought Forward	10,913,357		
Prior-Year Adjustment	<u>42,000</u>		
	<u>10,955,357</u>	10,955,357	11,173,788
Incoming Resources		1,237,669	395,281
Resources Expended		<u>-869,921</u>	<u>-655,712</u>
BALANCE CARRIED FORWARD		<u>11,323,105</u>	<u>10,913,357</u>

The prior year adjustment arises from the understated rental income disclosed in earlier years. As a result of a lease negotiations between the Circuit and one of its tenants, a revised rent was agreed at, effective from 30, April 2021. The Prior year adjustment represents the unaccounted for rent between 30, April 2021 and 01, September 2022.

13 DETAILS OF CERTAIN ITEMS OF EXPENDITURE

	2023	2022	2022
	£	£	£
Audit Fees	4,200	4,200	4,200
Accountancy Fees	<u>2,400</u>	<u>2,400</u>	<u>2,400</u>
	<u>6,600</u>	<u>6,600</u>	<u>6,600</u>

14. PAID EMPLOYEES

	2023	2022	2022
	£	£	£
Salaries, Employers Pension Contribution And Employers National Insurance	<u>32,354</u>	<u>26,091</u>	<u>26,091</u>
Average number of employees	<u>2</u>	<u>1</u>	<u>1</u>

No employee received emoluments in excess of £60,000 per annum.

15. RELATED PARTY TRANSACTIONS**15.1 TRUSTEES REMUNERATIONS AND BENEFITS**

All the Ministers serving in the Circuit are members of the Circuit Meeting
No trustee received any remuneration nor benefits.

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (continued)

15.2 TRANSACTIONS WITH RELATED PARTIES

During the year, four Ministers who are also Trustees received stipends and expenses.

	2023	2022
Stipends	150,636	204,375
Reimbursed Expenses	3,741	2,503

Although the Circuit pays the ministerial stipends, the Ministers are not employed by the Circuit. Ministers are employed by Conference, but it is the responsibility of the Circuit to pay them.

There were no other related parties transactions for the year ended 31, August 2023.

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

16. POST BALANCE SHEET EVENTS

There has been no post balance sheet event which could materially affect these financial statements.

17. VOLUNTEER CONTRIBUTIONS

Every wing of the Methodist Church (Local Churches, Circuits, Districts, Connexion) in the United Kingdom is heavily reliant on volunteers who contribute their skills, time, money and their resources in the furtherance of the work of the church. Principally, this contribution is by serving on committees of the Circuit that deal with mission, manse, finance, policy, grants, training developments, etc, etc.

The contribution of volunteers is not included within the income of the Circuit. We are grateful to all for their help and commitments

18. MINISTERS' MANSE COSTS

The Circuit is required to provide accommodation for each Minister and his/her family. The Circuit bears the costs of repairs, maintenance, building insurance, Council Tax and water charges on the properties. These costs are not shown separately as benefit-in-kind for the Ministers as HMRC does not seek to tax these receipts in the hands of the Ministers. Similarly, these costs are not disclosed as related parties' transactions in these accounts

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (continued)

19. APPORTIONMENT OF SUPPORT COSTS AMONGST ACTIVITIES.

	Charitable Expenditure Total		2022		2023	
	Activities	to raise funds	Charitable Activities	Expenditure to raise funds	Total	
	£	£	£	£	£	£
GOVERNANCE						
Audit	2,513	1,687	4,200	3,078	1,122	4,200
Accountancy	1,436	964	2,400	1,759	641	2,400
Book-keeping charges	1,829	1,229	3,058	4,476	1,632	6,108
Bank charges	182	122	304	177	64	241
Legal Fees	1,149	771	1,920	3,600	0	3,600
T M C P Charges	<u>2,544</u>	<u>1,708</u>	<u>4,252</u>	<u>4,147</u>	<u>1,515</u>	<u>5,662</u>
	<u>9,653</u>	<u>6,481</u>	<u>16,134</u>	<u>17,237</u>	<u>4,974</u>	<u>22,211</u>
OTHERS						
Telephone	1,950	1,309	3,259	2,531	922	3,453
Post, Print and station	2,026	1,361	3,387	3,750	1,367	5,117
Sundry Expenses	1,181	793	1,974	8,452	3,080	11,532
Subscription	911	611	1,522	2,267	826	3,093
Staff training	0	0	0	295	107	402
IT and Website costs	<u>368</u>	<u>247</u>	<u>615</u>	<u>1,173</u>	<u>427</u>	<u>1,600</u>
	<u>6,436</u>	<u>4,321</u>	<u>10,757</u>	<u>18,468</u>	<u>6,729</u>	<u>25,197</u>

Governance and Other Costs are apportioned between Activities (Charitable and Expenditure to raise funds) on the basis of each activity's income in the year in relation to each other. This policy excludes any exceptional and non-recurring items.

LAMBETH CIRCUIT METHODIST CHURCH

England & Wales - Charity number 1175488

Accounts

LAMBETH CIRCUIT METHODIST CHURCH

Charity Registration number - 1175488

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2022.

LAMBETH CIRCUIT METHODIST CHURCH

Charity Registration number - 1175488

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

CHARITY INFORMATION

Principal address

Lambeth Circuit Office
c/o Clapham Methodist Church
Nelson's Row
London
SW4 7JR

Bankers

HSBC Plc
Wimbledon Hill Road
Wimbledon
London
SW19 7NF

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

Central Finance Board
9, Bonhill Street,
London
EC2A 4PE

Auditors

Adomako Basoah & Co.
45, Tindale Close
Sanderstead
South Croydon
Surrey. CR2 0RT

LAMBETH CIRCUIT METHODIST CHURCH

Charity Registration number - 1175488

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

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LAMBETH CIRCUIT METHODIST CHURCH TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their report together with the Audited financial statements for the year ended 31, August 2022

BASIS OF ACCOUNTS PREPARATION

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 (FRS 102) (Second Edition)" and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a "true and fair" view and 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 "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) (Second Edition)" rather than the Accounting and Reporting by Charities : Statement of Recommended Practice effective from 1, April 2005 which has since been withdrawn".

The financial statements have been prepared in accordance with the accounting policies set out in Note 2 to these accounts, and in accordance with the governing document of the Circuit.

GOVERNING DOCUMENT AND OBJECTIVES

The governing document for the circuit is the Deed of Union (1932) and the Methodist Church Act (1976).

The Purpose 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 discipline of the Methodist Church;
- (b) any charitable purposes 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 subsidiary or ancillary to The Methodist Church;
- (d) any purpose for the time being of any charity subsidiary or ancillary to The Methodist Church.

In striving to achieve its objectives, the Trustees give careful consideration to the Charity Commission's general guidance on public benefit.

We confirm that the Circuit is a public benefit entity as defined by FRS 102.

LAMBETH CIRCUIT METHODIST CHURCH
TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)

TRUSTEES

The Trustees of the Circuit are selected from given office holders of the Methodist Church

REFERENCE AND ADMINISTRATIVE DETAILS

The Circuit is managed on day to day basis by the Superintendent minister, the ministers and the Circuit Stewards.

The Circuit Meeting Members who are also trustees are:

District Chair	Revd Nigel Cowgill
Superintendent Minister	Revd Andrew Dart
Acting Superintendent Minister	Revd Dr Andrew Lyons
Circuit Ministers	Revd Kristin Markay Revd Lena Ali Revd Eleanor Jackson Revd Rita King
Ministers resident in the Circuit	Revd Andrew Goodhead Revd. Graham Thomas
Supernumerary residing in Circuit	Revd Gordon Ashworth
Circuit Stewards	Nancy Acquaah Alice Achola-Omara Comfort Babawale Daniel Sackey Christine Annor Raymonde Chintoh Clement Cofie Nana Hamoa Dormon Vivian Korley Patience Oluwa Elizabeth Oyeledun Victoria Odofin Abigail Tagoe
Circuit Treasurer	Kojo Amoah-Arko
Assistant Treasurer	Opuwali Lawson
Circuit Meeting Secretary	Arabella Hyde
Local Preachers' Secretary	Elizabeth Oyeledun
Property Group Co-Ordinator	Robert Smyth
Safeguarding Co-Ordinator	Sandra Taylor
Young Peoples' Representative	Janet Oppong/Danielle Young

LAMBETH CIRCUIT METHODIST CHURCH

TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)

REFERENCE AND ADMINISTRATIVE DETAILS (Continued)

Local Church Representatives:

Streatham

Carl Opere-Addo
Tina Rawlings
Jacob Arkaah
Pat Ashworth

Tulse Hill

Christine Annor
Kwadwo Asamoah-Boadu
Emmanuel Bentsi-Abban
Agnes Baiden
Carmen Gamet Rose
Trevor Hyde

Brixton Hill

Kathy Rennalls
Janet Oppong
Robert Smyth
Enley Taylor
Kofi Kyei
Eva Kyei
Nike Musa

Mostyn Road

Francisca Gaspar
Nana Hamoa Dormon
Akuba Forson

Railton Road

Comfort Babawale
Temitope Tayo
Jennifer Davis
Andy Kalamuso

Clapham

Solomon Quaye
Dorothy Blincoe
Antonia Buamah
Sharon Bryan
Regina Carrena
Ola Fadugba
Fiona Owusu

Stockwell

Rebecca Ekang
Leticia Quayson
Alice Aduku
Nathaniel Beury
Lorna Simpson

LAMBETH CIRCUIT METHODIST CHURCH
TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)

REFERENCE AND ADMINISTRATIVE DETAILS (Continued)

Springfield

Kola Ajao
Harriet Nsowah
Elenor Buaku
Ben Johnson

LMSM's & Vauxhall Mission

Ursula Ovenden
Alice Achola-Omara
David Vilares Ferrer
Barbara Afful

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Circuit is managed by a leadership team made up of the ministers, the Circuit stewards and local church representatives. The Circuit ensures that incoming stewards are well equipped by arranging for them to attend training and seminars organised by the District and the Circuit for that purposes.

The Circuit Leadership team meets periodically to discuss finance, property and other matters pertaining to the life of the Circuit and to make recommendations to the Circuit Meeting.

The Circuit Meeting also meets at least twice a year to consider recommendations and received reports from and to the Methodist Conference, London District Synod, the Circuit Leadership Team and the Circuit Stewards, and conducts other business as appropriate.

FUNCTIONS OF THE CIRCUIT

Mission statement

The Circuit's mission statement is "to be open to God, open to Life and open to the world".

The main function of the Circuit is to provide the support mechanism to the local churches within the Circuit. Careful consideration of the Charity Commission's general guidance on public benefit has been borne in mind in reviewing the functions of the Circuit and in planning its activities. The trustees consider the current activities as detailed in this report deliver public benefit.

The Circuit is responsible for the following:

- * To provide ministerial oversight and pastoral care for the 9 local churches in the Circuit
- * To support the ministerial team of 6 presbyteral ministers.
- * To maintain 5 manses and to manage 3 investment properties.
- * To support local churches in providing place for worship

MAIN GOALS FOR THE YEAR

The main goals for the year were:

- * To identify priorities for further use and application of funds at the disposal of the Circuit
- * to use its resources effectively to further its mission
- * to develop its work among the young people
- * to investigate ways of working together to achieve the objectives of the circuit

The Trustees were able to achieve the goals as set at the beginning of the year.

LAMBETH CIRCUIT METHODIST CHURCH

TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)

ACHIEVEMENTS AND PERFORMANCE

Review of past performance

In furtherance of its goals, the Circuit continued to develop the youth project in partnership with the Accension Trust. This resulted in the establishment of the 60-40 project which takes place at Kings Acre church premises. It is called the 60-40 project because in partnership with the Accension Trust, the Circuit bears 40% of the costs. The project employs a youth worker who works with the young people in the circuit.

During the year, the Circuit continued to maintain its manses at the levels required by the Methodist Church.

The Circuit recorded a deficit of £260,422 (2021 Surplus - £1,216,094) before revaluation gains for the year. The main reason was the surplus on the sale of Lambeth Mission property which realised £2,500,000 in 2021.

Reserves

The balance of the unrestricted funds at 31 August 2022 was £10,913,357 (2021 - £11,173,788). This includes the value of the Fixed Assets of £8,970,000 thereby leaving a net liquid balance of £1,943,357 for the general running of the Circuit.

PLANS FOR THE FUTURE

On 1st September 2020, the Lambeth Circuit merged with the Clapham Circuit to form a Lambeth wide Circuit. The circuit combines all the Methodist churches in the London Borough of Lambeth. Following the merger, the circuit has embarked on a programme of exploring initiatives involving collaboration with other ecumenical churches in the furtherance of its objectives.

Reserve Policy

The Trustees endeavour to maintain sufficient Reserves to ensure that the Circuit is on a "going concern" basis at all times.

Excluding the value of the Circuit properties of £8,970,000, the balance of the Circuit General Fund (Unrestricted fund) at the year end was £1,913,357.

Our reserves policy is to hold at least 6 month's expenditure. With the current level of annual expenditure (£656K) the expected level of Reserves should be £328K, compared to the actual readily available reserves (Circuit General Fund balance less properties values) of £1,943K.

Even though the current reserves are far in excess of the recommended level, the trustees do not consider the level as excessive as there are mission objectives that will require the use of such funds

Risk Analysis

The Trustees have examined the principal areas of their operations and considered what major risks could arise in each of these areas. In the opinion of the Trustees, resources and review systems have been established which, in the normal conditions, should allow the risks identified by them to be mitigated to an acceptable level in their day to day operations.

LAMBETH CIRCUIT METHODIST CHURCH

TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2022 (CONTINUED)

Going concern and the impact of Covid-19

The trustees consider that the Circuit has adequate financial resources to continue in operation for the foreseeable future.

Following the gradual easing of the Covid-19 restrictions, there has been an increase in the church attendance. The new circuit has therefore began to form strategic groups in the running of the circuit. This covers the areas of property, finance, mission and administration. This will ensure that the mission life of the circuit is revived which will increase the congregational collections.

In the meantime, the Circuit will continue to rely on the investment income from properties and withdrawals from the investments at TMCP.

The trustees therefore consider that the going concern basis remains a reasonable basis for the preparation of the Circuit accounts.

Post Balance Sheet Events

The Trustees are not aware of any post balance sheet events which could materially affect these financial statements.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Acceptable Accounting Practice)

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

In preparing these financial statements the Trustees are required to:

- > select suitable accounting policies and then apply them consistently
- > observe the methods and principles in the Charities SORP
- > 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 financial statements
- > prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

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 Charities Act of 2011, the appropriate Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Circuit and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- > There is no relevant audit information of which the Circuit's auditor is unaware; and
- > the trustees have taken all steps that they ought to have to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

APPROVAL

This Report was approved by the Circuit Trustees on 21st FEBRUARY 2024, and signed on their behalf by :

Arabella Hyde



Circuit Meeting Secretary

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAMBETH CIRCUIT METHODIST CHURCH

REPORT ON THE FINANCIAL STATEMENTS

UNQUALIFIED OPINION

We have audited the financial statements of The Lambeth Circuit Methodist Church (the charity) for the year ended 31, August 2022, which comprise of the 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 United Kingdom and the 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 2022 and of its incoming resources and application of resources for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011

BASIS FOR UNQUALIFIED 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 Standards, 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 unqualified opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

OTHER INFORMATION

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon.

The Trustees are responsible for the other information contained within the annual report.

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.

LAMBETH CIRCUIT METHODIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Unrestricted £	Restricted £	Total £	2021 £
INCOMING RESOURCES					
Charitable Activities	3.1	289,080	0	289,080	291,863
Investment income	3.2	105,342	22	105,364	100,776
Other Income	3.3	<u>859</u>	<u>0</u>	<u>859</u>	<u>2,500,100</u>
		<u>395,281</u>	<u>22</u>	<u>395,303</u>	<u>2,892,739</u>
RESOURCES EXPENDED					
Expenditure on Raising Funds	4.1.4	116,202	4	116,206	25,274
Expenditure on Charitable Activities	4.2.3	504,363	9	504,372	1,637,013
Others	4.3	<u>35,147</u>	<u>0</u>	<u>35,147</u>	<u>14,358</u>
TOTAL RESOURCES USED		<u>655,712</u>	<u>13</u>	<u>655,725</u>	<u>1,676,645</u>
NET (DEFICIT)/ INCOME FOR THE YEAR Before Recognised Gains		(260,431)	9	(260,422)	1,216,094
GAINS ON REVALUATION OF FIXED ASSETS FOR THE CIRCUIT'S USE					
Revaluation Gains on Properties	5	0	0	0	250,000
GAINS ON REVALUATION OF FIXED ASSETS INVESTMENTS					
Revaluation Gains on Properties	6	0	0	0	220,017
PRIOR YEAR ADJUSTMENTS					
Tangible Fixed Assets	7.1	0	0	0	1,820,899
Fixed Assets Investments	7.2	0	0	0	-373,034
BALANCE BROUGHT FORWARD		<u>11,173,788</u>	<u>7,139</u>	<u>11,180,927</u>	<u>8,046,951</u>
BALANCE CARRIED FORWARD		<u>10,913,357</u>	<u>7,148</u>	<u>10,920,505</u>	<u>11,180,927</u>

All activities are derived from continuing operations

There are no further recognised (losses)/ gains other than the (deficit)/income for the above financial years.

The notes to the financial statements form an integral part of these financial statements.

**LAMBETH CIRCUIT METHODIST CHURCH
BALANCE SHEET AS AT 31 AUGUST 2022**

FIXED ASSETS		unrestricted	Restricted	T O T A L	2021
	Note	£	£	£	£
Tangible Fixed Assets	8.1	5,550,000	0	5,550,000	5,550,000
Investments	8.2	<u>3,420,000</u>	<u>0</u>	<u>3,420,000</u>	<u>3,420,017</u>
Total Fixed Assets		<u>8,970,000</u>	<u>0</u>	<u>8,970,000</u>	<u>8,970,017</u>
CURRENT ASSETS					
Investments	9	1,496,112	0	1,496,112	2,000,980
Debtors	11	300,060	0	300,060	217,305
Bank and cash balances	12	<u>235,273</u>	<u>7,148</u>	<u>242,421</u>	<u>129,261</u>
		<u>£ 2,031,445</u>	<u>7,148</u>	<u>2,038,593</u>	<u>2,347,546</u>
CREDITORS: Amounts falling due within one year	13	<u>88,088</u>	<u>0</u>	<u>88,088</u>	<u>136,636</u>
TOTAL NET CURRENT ASSETS		<u>1,943,357</u>	<u>7,148</u>	<u>1,950,505</u>	<u>2,210,910</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>10,913,357</u>	<u>7,148</u>	<u>10,920,505</u>	<u>11,180,927</u>
FUNDS					
	14				
Restricted Funds	14.1		7,148	7,148	7,139
Unrestricted Funds	14.2	<u>10,913,357</u>		<u>10,913,357</u>	<u>11,173,788</u>
		<u>10,913,357</u>	<u>7,148</u>	<u>10,920,505</u>	<u>11,180,927</u>

The notes to the financial statements form an integral part of these financial statements.

Approved by the Trustees on 21 February 2024
and signed on their behalf by :



Revd Dr. Andrew Lyons
Acting Superintendent Minister



Kojo Amoah-Arko
Circuit Treasurer

LAMBETH CIRCUIT METHODIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

1. BASIS OF ACCOUNTING

1.1 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 (FRS 102) (Second Edition)" and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a "true and fair" view and 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 "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) (Second Edition)" rather than the Accounting and Reporting by Charities : Statement of Recommended Practice effective from 1, April 2005, which has since been withdrawn".

The financial statements have been prepared in accordance with the accounting policies set out in Note 2 to these accounts, and in accordance with the governing document of the Circuit.

1.2 The Circuit constitutes a public benefit entity as defined by FRS 102.

1.3 No changes to accounting estimates have occurred in the reporting period.

1.4 No material prior year errors have been identified in the reporting period.

2. ACCOUNTING POLICIES
INCOMING RESOURCES

2.1 Recognition of Income

Income are recognised and included in the Statement of Financial Activities (SoFA) when:

- > The Circuit becomes entitled to the resources;
- It is more likely than not that the trustees will receive the resource ; and
- > The monetary value can be measured with sufficient reliability.

2.2 Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102

2.3 Grants and Donations

Grants and Donations are only included in the SoFA when the general income recognition criteria as stated above are met.

2.4 Volunteer Help

The value of any voluntary help received is not included in the accounts.

2.5 Settlement of Insurance Claims

Insurance claims are only included in the SoFA when the general income recognition criteria are met, and are included as an item of other income in the SoFA

LAMBETH CIRCUIT METHODIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (continued)

2.6 Income from Interest, Royalties and Dividends

This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

2.7 Investment gains and losses

This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the financial year.

2.8 Rental Income

Rental income are only included in the SoFA when the general income recognition criteria are met.

APPLICATION OF RESOURCES

2.9 Liability Recognition

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the Circuit to pay out resources and the amount of the obligation can be measured with reasonable certainty.

2.10 Grants

Grants and donations are accounted for when paid.

2.11 Costs directly related to the work of the circuit.

The district assessment and ministerial stipends are accounted for when due.

FIXED ASSETS

2.12 Freehold land and buildings

Freehold land and buildings are accounted for at original Cost or subsequent valuation basis.

Tangible Fixed Assets

These are the manses managed by the Circuit. The Circuit manages five Manses

Fixed Asset Investments

These are the properties managed by the Circuit with the view to generate income.

In the year under review, there were two such property, and one closed-to-worship church building.

The freehold land and buildings mentioned above are shown in these accounts at valuation conducted by a professional valuer in 2021

2.13 Capitalisation

All tangible Fixed Assets and Fixed Assets Investments whose costs are in excess of £1,000 in the year concerned are capitalised. Otherwise such costs are written off in the year of the expenditure.

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (continued)

2.14 Depreciation

Depreciable tangible freehold building values are depreciated at a rate calculated to write off the cost, less residual value, over their expected useful lives.

No Depreciation is provided on land values.

No Depreciation is provided on Investment properties. They are stated at market value.

Rate of depreciation on tangible freehold buildings - 2.5% on straight line basis.

2.15 Tangible fixtures, fittings and office equipment

All tangible fixtures, fittings and equipment used by the circuit are written off as and when incurred.

OTHER ACCOUNTING POLICIES

2.16 Funds

2.16.1 Unrestricted funds represent funds which are expendable at the discretion of the Circuit in the furtherance of its objects and which have not been designated for other purposes.

2.16.2 Restricted funds can only be used for specified purposes. The purpose of any restricted fund is noted in the financial statements.

2.17 Consolidation

The Circuit oversees the work of ministers and churches within the Circuit, but does not have control over those churches, or ministers, . For this reason, the financial statements of the churches within the Circuit are not consolidated into these financial statements.

2.18 Going Concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Circuit has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees have therefore continued to adopt the *going concern* basis in preparing the Circuit's financial statements.

2.19 Employment Benefits

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

2.20 Taxation

In the opinion of the trustees, the Circuit is exempt from the United Kingdom Taxation on its incoming resources for the year.

2.21 Accounting estimates and judgements

In the application of the Circuit's accounting policies, the trustees are required to make judgements, estimates, and assumptions about carrying amount of assets and liabilities that are not readily apparent from other resources. The estimates and associated assumptions are based on historic 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.

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (continued)

The main assumption concerning the future of the Circuit is that the assessment income and income from the rental properties will continue to be sufficient to meet the costs of stipends, salaries manse maintenance , and district assessments. The annual budget, as approved by the Circuit meeting, includes sums necessary for covering these costs. This is then allocated among each church in the Circuit.

2.22 Financial Instruments

The Circuit only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.26 Apportionment Of Costs Between Activities

Governance and Other Costs are apportioned between Activities (Charitable and Expenditure to raise funds) on the basis of each activity's income in the year in relation to each other. This policy excludes any exceptional and non-recurring items.

The main assumption concerning the future of the Circuit is that the assessment income will continue to be sufficient to meet the costs of stipends, salaries and manse maintenance. The annual budget, as approved by the Circuit meeting, includes sums necessary for covering these costs. This is then allocated among each church in the Circuit, hence the income is dependent upon the Church's ability to meet the assessment.

2.22 Financial Instruments

The Circuit only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2022 (Continued)

3 INCOMING RESOURCES

3.1 Charitable Activities income

	Unrestricted Funds	Restricted Funds	TOTAL Fund 2022	Unrestricted Fund 2021	Restricted Fund 2021	Total Fund 2021
	£	£	£	£	£	£
Circuit assessments	<u>289,080</u>	<u>0</u>	<u>289,080</u>	<u>291,863</u>	<u>0</u>	<u>291,863</u>
3.2 Investment income						
Central Finance Board Interest	581	0	581	95	0	95
TMCP Interest	7,761	22	7,783	2,664	16	2,680
Rental Income	<u>97,000</u>	<u>0</u>	<u>97,000</u>	<u>98,001</u>	<u>0</u>	<u>98,001</u>
	<u>105,342</u>	<u>22</u>	<u>105,364</u>	<u>100,760</u>	<u>16</u>	<u>100,776</u>
3.3 Other income						
Sale of Lambeth Mission Property	0	0	0	2,500,000	0	2,500,000
Others	<u>859</u>	<u>0</u>	<u>859</u>	<u>100</u>	<u>0</u>	<u>100</u>
	<u>859</u>	<u>0</u>	<u>859</u>	<u>2,500,100</u>	<u>0</u>	<u>2,500,100</u>

4 RESOURCES EXPENDED

	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	£	£	£	£	£	£
4.1 EXPENDITURE ON RAISING FUNDS						
4.1.1 DIRECT SPENDING						
Properties Repairs and Maintenance	90,553	0	90,553	1,920	0	1,920
Rent Collection	6,360	0	6,360	6,360	0	6,360
Insurance	2,012	0	2,012	0	0	0
Legal Fees	800	0	800	760	0	760
Professional fees	2,640	0	2,640	0	0	0
Bad Debt	0	0	0	9,208	0	9,208
Council Tax, Light and Heat	<u>2,138</u>	<u>0</u>	<u>2,138</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>104,503</u>	<u>0</u>	<u>104,503</u>	<u>18,248</u>	<u>0</u>	<u>18,248</u>
4.1.2 SUPPORT FOR EXPENDITURE TO RAISE FUNDS						
Governance costs						
Audit Fees	1,122	0	1,122	1,050	0	1,050
Accountancy Fees	641	0	641	600	0	600
Book-keeping charges	1,632	0	1,632	0	0	0
Bank Charges	64	0	64	0	0	0
T M C P Charges	<u>1,511</u>	<u>4</u>	<u>1,515</u>	<u>556</u>	<u>2</u>	<u>558</u>
	<u>4,970</u>	<u>4</u>	<u>4,974</u>	<u>2,206</u>	<u>2</u>	<u>2,208</u>
4.1.3 OTHERS						
Telephone	922	0	922	1,047	0	1,047
Post, Print and Stationery	1,367	0	1,367	985	0	985
Sundry Expenses	3,080	0	3,080	2,786	0	2,786
Subscription	826	0	826	0	0	0
Staff Training	107	0	107	0	0	0
IT and Website Expenses	<u>427</u>	<u>0</u>	<u>427</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>6,729</u>	<u>0</u>	<u>6,729</u>	<u>4,818</u>	<u>0</u>	<u>4,818</u>
4.1.4 SUMMARY OF EXPENDITURE ON RAISING FUNDS						
Direct Spending	104,503	0	104,503	18,248	0	18,248
Support for raising funds						
Governance	4,970	4	4,974	2,206	2	2,208
Others	<u>6,729</u>	<u>0</u>	<u>6,729</u>	<u>4,818</u>	<u>0</u>	<u>4,818</u>
	<u>116,202</u>	<u>4</u>	<u>116,206</u>	<u>25,272</u>	<u>2</u>	<u>25,274</u>

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2022 (Continued)

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	2 Unrestricted Funds £	0 Restricted Funds £	2 1 Total 2021 £
4.2 EXPENDITURE ON CHARITABLE ACTIVITIES						
4.2.1 DIRECT SPENDING						
District Assessment	65,248	0	65,248	65,248	0	65,248
Stipends, Pension and NIC	204,375	0	204,375	177,711	0	177,711
Salaries and NIC	26,091	0	26,091	25,984	0	25,984
Circuit Administration	8,369	0	8,369	8,153	0	8,153
Ministers' travelling expenses	<u>2,503</u>	<u>0</u>	<u>2,503</u>	<u>758</u>	<u>0</u>	<u>758</u>
	<u>306,586</u>	<u>0</u>	<u>306,586</u>	<u>277,854</u>	<u>0</u>	<u>277,854</u>
4.2.2 SUPPORT FOR CHARITABLE ACTIVITIES						
4.2.2.1 Premises Expenses						
Repairs to Manses	3,269	0	3,269	13,328	0	13,328
Manses Utilites	12,918	0	12,918	19,216	0	19,216
Quinquinal Report	2,340	0	2,340	0	0	0
Insurance	<u>6,692</u>	<u>0</u>	<u>6,692</u>	<u>8,544</u>	<u>0</u>	<u>8,544</u>
	<u>25,219</u>	<u>0</u>	<u>25,219</u>	<u>41,088</u>	<u>0</u>	<u>41,088</u>
4.2.2.2 Governance costs						
Audit Fees	3,078	0	3,078	3,150	0	3,150
Accountancy Fees	1,759	0	1,759	1,800	0	1,800
Book-Keeping Charges	4,476	0	4,476	0	0	0
TMCP Charges	4,147	9	4,156	1,668	7	1,675
Bank Charges	177	0	177	0	0	0
Legal Fees	3,600	0	3,600	0	0	0
Other Professional Charges	<u>0</u>	<u>0</u>	<u>0</u>	<u>437,705</u>	<u>0</u>	<u>437,705</u>
	<u>17,237</u>	<u>9</u>	<u>17,246</u>	<u>444,323</u>	<u>7</u>	<u>444,330</u>
4.2.2.3 Others						
DAF Contribution	138,077	0	138,077	54,667	0	54,667
TMCP Levy on sale of property	0	0	0	804,916	0	804,916
Telephone	2,531	0	2,531	3,142	0	3,142
Post, Print and Stationery	3,750	0	3,750	2,956	0	2,956
Youth Expenses	4,260	0	4,260	8,060	0	8,060
Ascension Trust Project	5,520	0	5,520	0	0	0
Apprenticeship levy	<u>1,183</u>	<u>0</u>	<u>1,183</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>155,321</u>	<u>0</u>	<u>155,321</u>	<u>873,741</u>	<u>0</u>	<u>873,741</u>
4.2.3 SUMMARY OF EXPENDITURE ON CHARITABLE ACTIVITIES						
Direct Spending	306,586	0	306,586	277,854	0	277,854
Support for charitable activities						
Premises Expenses	25,219	0	25,219	41,088	0	41,088
Governance	17,237	9	17,246	444,323	7	444,330
Others	<u>155,321</u>	<u>0</u>	<u>155,321</u>	<u>873,741</u>	<u>0</u>	<u>873,741</u>
	<u>504,363</u>	<u>9</u>	<u>504,372</u>	<u>1,637,006</u>	<u>7</u>	<u>1,637,013</u>
4.3 OTHER						
Sundry Expenses	8,452	0	8,452	8,358	0	8,358
Subscription	2,267	0	2,267	0	0	0
Payroll Costs	960	0	960	0	0	0
Staff Training	295	0	295	0	0	0
IT and Website Expenses	1,173	0	1,173	0	0	0
Bad Debts	<u>22,000</u>	<u>0</u>	<u>22,000</u>	<u>6,000</u>	<u>0</u>	<u>6,000</u>
Total Other expenditure	<u>35,147</u>	<u>0</u>	<u>35,147</u>	<u>14,358</u>	<u>0</u>	<u>14,358</u>

LAMBETH CIRCUIT METHODIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2022 (Continued)

5. GAINS ON REVALUATION OF FIXED ASSETS FOR THE CIRCUIT'S OWN USE

	2022	2021
	£	£
Revaluation gains on properties	<u>0</u>	<u>250,000</u>

6. GAINS ON REVALUATION OF FIXED ASSETS INVESTMENTS

	2022	2021
	£	£
Revaluation gains on properties	<u>0</u>	<u>220,000</u>

7. PRIOR YEAR ADJUSTMENT

	2022	2021
	£	£
Revaluation Gains (Deficit) on Properties		
7.1 Tangible Fixed Assets	<u>0</u>	<u>1,820,899</u>
7.2 Fixed Assets Investments	<u>0</u>	<u>-373,034</u>

LAMBETH CIRCUIT METHODIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (continued)

8. FIXED ASSETS

8.1 TANGIBLE FIXED ASSETS

	Freehold Land & Buildings £
COST OR VALUATION	
As at 1 September 2021 and 31, August 2022	<u>5,550,000</u>
DEPRECIATION	
As at 1 September 2021 and 31 August 2022	<u>-</u>
NET BOOK VALUE	
As at 31 August 2022	<u>5,550,000</u>
As at 31 August 2021	<u>5,550,000</u>

8.2 FIXED ASSETS INVESTMENTS

	Freehold Land & Buildings £
COST OR VALUATION	
As at 1 September 2021 and 31, August 2022	<u>3,420,000</u>
NET BOOK VALUE	
As at 31 August 2022	<u>3,420,000</u>
As at 31 August 2021	<u>3,420,000</u>

No depreciation has been provided in respect of tangible fixed assets for the year as the trustees are of the opinion that the maintenance programmes to which these properties are subjected to ensures that the estimated residual values are not less than the stated values.

9. INVESTMENTS

	2022 £	2021 £
The following funds are held by TMCP on behalf of the Circuit		
Sale of Property - Trust 15175	22,420	22,378
De-Bourcier Bequest - Trust 8976	4,322	4,322
De-Bourcier Bequests - 8976A	3,114	3,109
De-Bourcier Bequests - 8976B	11,948	11,926
Bernard Searle Bequest - Trust 17694	1,559	1,556
Circuit Model Trust - Trust 22136	<u>1,452,749</u>	<u>1,957,689</u>
	<u>1,496,112</u>	<u>2,000,980</u>

T M C P Investments are held at cost less accumulated impairment losses.

LAMBETH CIRCUIT METHODIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (continued)

<u>13. CREDITORS: Amounts falling due within one year</u>	2022	2021
	£	£
Local Churches Assessments received in advance	4,219	4,370
Amounts due to other Methodist Circuit	-	26,102
Due to other Methodist Circuit	60,000	60,000
Sundry Creditors	13,402	23,984
Accruals and other Creditors	<u>10,467</u>	<u>22,180</u>
	<u>88,088</u>	<u>136,636</u>

Basic financial liabilities, including trade and other creditors, loans from third parties and loans from related parties 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. Such instruments are subsequently carried at amortised cost using the effective interest method, less any impairment.

14. FUNDS

14.1 RESTRICTED FUNDS	2022	2021
	£	£
Balance Brought Forward 01/09/2021	7,139	7,132
Incoming Resources	22	16
Resources Expended	<u>-13</u>	<u>-9</u>
Balance Carried Forward 31/08/2022	<u>7,148</u>	<u>7,139</u>

14.1.2 DETAILED RESTRICTED FUNDS

	Ministerial Training	Benevolent Fund	TOTAL 2022	2021 Ministerial Training	2021 Benevolent Fund	Total 2021
	£	£	£	£	£	£
Bal. Brought Forward	4,037	3,102	7,139	4,032	3,100	7,132
Receipts	15	7	22	11	5	16
Payments	<u>-9</u>	<u>-4</u>	<u>-13</u>	<u>-6</u>	<u>-3</u>	<u>-9</u>
Bal. Carried Forward	<u>4,043</u>	<u>3,105</u>	<u>7,148</u>	<u>4,037</u>	<u>3,102</u>	<u>7,139</u>

The Ministerial Training fund is set up to provide training and development for local preachers in the Circuit

The Benevolent Fund relates to money raised for the relief of poverty and distress in the Circuit

LAMBETH CIRCUIT METHODIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (continued)

14.2 UNRESTRICTED FUNDS

	2022	2021
	£	£
Balance Brought Forward	11,173,788	8,039,819
Incoming Resources	395,281	2,892,723
Resources Expended	-655,712	-1,676,636
Revaluation Surplus properties for the Circuit's use	0	250,000
Revaluation Surplus Fixed Assets Investment	0	220,017
Prior-Year Adjustment	<u>0</u>	<u>1,447,865</u>
BALANCE CARRIED FORWARD	<u>10,913,357</u>	<u>11,173,788</u>

15 DETAILS OF CERTAIN ITEMS OF EXPENDITURE

	2022	2021
	£	£
Audit Fees	4,200	4,200
Accountancy Fees	<u>2,400</u>	<u>2,400</u>
	<u>6,600</u>	<u>6,600</u>

16. PAID EMPLOYEES

	2022	2021
	£	£
Salaries	23,820	22,700
Employers National Insurance	1,354	1,926
Pension Contribution	<u>917</u>	<u>1,358</u>
	<u>26,091</u>	<u>25,984</u>
Average number of employes	<u>1</u>	<u>1</u>

No employee received emoluments in excess of £60,000 per annum.

LAMBETH CIRCUIT METHODIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (continued)

17. APPORTIONMENT OF SUPPORT COSTS AMONGST ACTIVITIES.

				2	0	2	1		
	Charitable	Expenditure	Total	Charitable	Expenditure	Total	Charitable	Expenditure	Total
	Activities	to raise funds		Activities	to raise funds		Activities	to raise funds	
	£	£	£	£	£	£	£	£	£
GOVERNANCE									
Audit	3,078	1,122	4,200	3,150	1,050	4,200			
Accountancy	1,759	641	2,400	1,800	600	2,400			
Book-keeping charges	4,476	1,632	6108	0	0	0			
Bank charges	177	64	241	0	0	0			
T M C P Charges	4,156	1,515	5,671	1,668	7	1,675			
	<u>13,646</u>	<u>4,974</u>	<u>18,620</u>	<u>6,618</u>	<u>1,657</u>	<u>8,275</u>			
OTHERS									
Telephone	2,531	922	3,453	3,142	1047	4,189			
Post, Print and stationery	3,750	1,367	5,117	2,956	985	3,941			
Sundry Expenses	8,452	3,080	11,532	8,358	2786	11,144			
Subscription	2,267	826	3,093	0	0	0			
Staff training	295	107	402	0	0	0			
IT and Website costs	<u>1,173</u>	<u>427</u>	<u>1,600</u>	<u>0</u>	<u>0</u>	<u>0</u>			
	<u>18,468</u>	<u>6,729</u>	<u>25,197</u>	<u>14,456</u>	<u>4,818</u>	<u>19,274</u>			

Governance and Other Costs are apportioned between Activities (Charitable and Expenditure to raise funds) on the basis of each activity's income in the year in relation to each other. This policy excludes any exceptional and non-recurring items.

18. CAPITAL COMMITMENT

At the year-end date, the Circuit had an outstanding capital commitment of £160,572
The capital commitment arises from the refurbishment work at the Circuit's property situated at 76, Chestnut Road, London SE27 9LE

19. RELATED PARTY TRANSACTIONS

19.1 TRUSTEES REMUNERATIONS AND BENEFITS

All the Ministers serving in the Circuit are members of the Circuit Meeting
No trustee received any remuneration nor benefits.

LAMBETH CIRCUIT METHODIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022 (continued)

19.2 TRANSACTIONS WITH RELATED PARTIES

During the year, four Trustees received stipends in the sum of £204,375 (2021 - £177,711), and expenses (relating to travel, telephone broadband and other costs) of £2,906 (2021 - £758).

Although the Circuit pays the ministerial stipends, the Ministers are not employed by the Circuit. Ministers are employed by Conference, but it is the responsibility of the Circuit to pay them.

There were no other related parties transactions for the year ended 31, August 2022.

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

20. POST BALANCE SHEET EVENTS

There has been no post balance sheet event which could materially affect these financial statements.

21. VOLUNTEER CONTRIBUTIONS

Every wing of the Methodist Church (Local Churches, Circuits, Districts, Connexion) in the United kingdom is heavily reliant on volunteers who contribute their skills, time, money and their resources in the furtherance of the work of the church. Principally, this contribution is by serving on committee of the Circuit that deal with mission, manses, finance, policy, grants, training developments, etc etc.

The contribution of volunteers is not included within the income of the Circuit. We are grateful to all for their help and commitments

22. MINISTERS' MANSE COSTS

The Circuit is required to provide accommodation for each Minister and his/her family. The Circuit bears the costs of repairs, maintenance, building insurance, Council Tax and water charges on the properties. These costs are not shown separately as benefit-in-kind for the Ministers as HMRC does not seek to tax these receipts in the hands of the Ministers. Similarly. these costs are not disclosed as related parties' transactions in these accounts

LAMBETH CIRCUIT METHODIST CHURCH

England & Wales - Charity number 1175488

Accounts

LAMBETH CIRCUIT METHODIST CHURCH

Charity registration number - 1175488

REPORT AND ACCOUNTS

31 AUGUST 2021

LAMBETH CIRCUIT METHODIST CHURCH

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2021

CHARITY INFORMATION

Charity Registration number- 1175488

Principal address

Lambeth Circuit Office
c/o Clapham Methodist Church
Nelson's Row
London SW4 7JR

Bankers -

HSBC Plc
Wimbledon Hill Road
Wimbledon
London. SW19 7NF

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

CENTRAL FINANCE BOARD
9, Bonhill Street,
London. EC2A 4PE

Auditors

Adomako Basoah & Co.
113 Parchmore Road,
Thornton Heath.
Surrey. CR7 8LZ

LAMBETH CIRCUIT METHODIST CHURCH

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2021

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LAMBETH CIRCUIT METHODIST CHURCH
TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31, AUGUST 2021

The Trustees present their report together with the Audited financial statements for the year ended for the year ended 31, August 2021

BASIS OF ACCOUNTS PREPARATION

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 (FRS 102) (Second Edition)" and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015

The financial statements have been prepared to give a "true and fair" view and 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 "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) (Second Edition)" rather than the Accounting and Reporting by Charities : Statement of Recommended Practice effective from 1, April 2005 which has since been withdrawn".

The financial statements have been prepared in accordance with the accounting policies set out in Note 2 to these accounts, and in accordance with the governing document of the Circuit.

GOVERNING DOCUMENT AND OBJECTIVE

The governing document for the circuit is the Deed of Union (1932) and the Methodist Church Act (1976).

The Purpose 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 discipline of the Methodist Church;
- (b) any charitable purposes 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 subsidiary or ancillary to The Methodist Church;
- (d) any purpose for the time being of any charity subsidiary or ancillary to The Methodist Church.

In striving to achieve its objectives, the Trustees give careful consideration to the Charity Commission's general guidance on public benefit.

We confirm that the Circuit is a public benefit entity as defined by FRS 102.

**LAMBETH CIRCUIT METHODIST CHURCH
TRUSTEES REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31, AUGUST 2021 (Continued)**

TRUSTEES

The Trustees of the Circuit are selected from given office holders of the Methodist Church

REFERENCE AND ADMINISTRATIVE DETAILS

The Circuit is managed on day to day basis by the Superintendent minister, the ministers in the Circuit and the Circuit Stewards.

The Circuit Meeting Members who are also trustees are

District Chair	Revd Nigel Cowgill
Superintendent Minister	Revd Andrew Dart
Circuit Ministers	Revd Kristin Markay Revd Lena Ali Revd Dr Andrew Lyons Revd Eleanor Jackson Revd Rita King
Minister resident in the Circuit	Revd Andrew Goodhead
Supernumerary residing in Circuit	Revd Gordon Ashworth Revd Graham Thomas Revd Dani Wright
Circuit Stewards	Nancy Acquah Comfort Babawale Daniel Sackey Christine Annor Raymonde Chintoh Clement Cofie Nana Hamoa Dormon Vivian Korley Eva Kyei Kofi Kyei Patience Oluwa Elizabeth Oyeledun

**LAMBETH CIRCUIT METHODIST CHURCH
TRUSTEES REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31, AUGUST 2021**

Circuit Treasurer	Kojo Amoah-Arko
Assistant Treasurer	Opu Lawson
Circuit Meeting Secretary	Arabella Hyde
Local Preachers' Secretary	Elizabeth Oyeledun
Property Group Co-Ordinator	Robert Smyth
Safeguarding Co-Ordinator	Sandra Taylor
Young Peoples' Representative	Janet Oppong/Danielle Young
Local Church Representatives:	
Streatham	Tina Oblitey Carl Opare-Addo Tina Rawlings Jacob Arkaah Pat Ashworth
Tulse Hill	Christine Annor Kwadwo Asamoah-Boadu Agnes Baiden Carmen Gamet Rose Trevor Hyde
Brixton Hill	Kathy Rennalls Janet Oppong Robert Smyth Enley Taylor Kofi Kyei Eva Kyei Nike Musa
Mostyn Road	Francisca Gaspar Nana Hamoa Dormon Akuba Forson
Railton Road	Comfort Babawale Temitope Tayo Jennifer Davis Andy Kalamuso

**LAMBETH CIRCUIT METHODIST CHURCH
TRUSTEES REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31, AUGUST 2021**

Clapham	Solomon Quaye Dorothy Blincoe Antonia Buamah Sharon Bryan Regina Carrena Ola Fadugba Fiona Owusu
Stockwell	Rebecca Ekan Leticia Quayson Alice Aduku Nathaniel Beury Lorna Simpson
Springfield	Kola Ajao Harriet Nsowah Elenor Buaku Ben Johnson
LMSM's & Vauxhall Mission	Ursula Ovenden Alice Achola-Omara David Vilares Ferrer Barbara Afful
BANKERS AND AUDITORS	
Bankers	HSBC Bank Plc CAF Bank Limited Central Finance Board of the Methodist Church
Auditors	Adomako Basoah & Co Chartered Certified Accountants 113 Parchmore Road Thornton Heath. Surrey. CR7 8LZ

**LAMBETH CIRCUIT METHODIST CHURCH
TRUSTEES REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31, AUGUST 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Circuit is managed by a leadership team made up of the ministers, the Circuit stewards and local church representatives. The Circuit ensures that incoming stewards are well equipped by arranging for them to attend training and seminars organised by the District and the Circuit for that purposes.

The Circuit Leadership team meets periodically to discuss finance, property and other matters pertaining to the life of the Circuit and to make recommendations to the Circuit Meeting.

The Circuit Meeting also meets at least twice a year to consider recommendations and receive reports from and to the Methodist Conference, London District Synod, the Circuit Leadership Team and the Circuit Stewards, and conducts other business as appropriate.

FUNCTIONS OF THE CIRCUIT

Mission statement

The Circuit's mission statement is "to be open to God, open to Life and open to the world".

The main function of the Circuit is to provide the support mechanism to the local churches within the Circuit. Careful consideration of the Charity Commission's general guidance on public benefit has been borne in mind in reviewing the functions of the Circuit and in planning its activities. The trustees consider the current activities as detailed in this report deliver public benefit.

The Circuit is responsible for the following:

- * To provide ministerial oversight and pastoral care for the 9 local churches in the Circuit
- * To Support the ministerial team of the presbyteral ministers.
- * To maintain the manses and to manage the investment properties.
- * To support local churches in providing place for worship

MAIN GOALS FOR THE YEAR

The main goals for the year were:

- * To identify priorities for further use and application of funds at the disposal of the Circuit
- * to use its resources effectively to further its mission
- * to develop its work among the young people
- * to investigate ways of working together to achieve the objectives of the circuit

The Trustees were able to achieve the goals as set at the beginning of the year

**LAMBETH CIRCUIT METHODIST CHURCH
TRUSTEES REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31, AUGUST 2021**

ACHIEVEMENTS AND PERFORMANCE

FINANCIAL REVIEW

In furtherance of its goals, the Circuit continued to support the youth project in partnership with the Accension Trust. This is the 60-40 project which takes place at former Kings Acre church premises. It is called the 60-40 project because in partnership with the Accension Trust, the Circuit bears 40% of the costs. The project employs a youth worker who works with the young people in the circuit.

During the year, the Circuit continued to maintain its manses at the levels required by the Methodist Church.

The Circuit recorded a surplus of £1,216,094 (2020 deficit - £167,848) before revaluation gains for the year. The main reason was the disposal of Lambeth mission St Mary church building site. As part of the deal £2,500,000 was paid into the Circuit Model Trust funds

Reserves

The balance of the unrestricted funds at 31 August 2021 was £11,173,788 (2020 - £8,039,819) This includes the value of the Fixed Assets of £8,970,017 thereby leaving a net liquid balance of £2,210,910 for the general running of the Circuit.

Merger with Clapham Circuit

Following discussion with the Old Clapham Circuit, the circuit merger became a reality and was approved by the June 2020 Methodist conference

The new Circuit commenced on 1st September 2020. As a result of the merger, the Circuit adopted the merger accounting principle in preparing the accounts for the year ended 31 August 2021.

PLANS FOR THE FUTURE

The Trustees continued to explore ways of working with other neighbouring Circuit. In this regards it continues to manage 76 Chestnut Road for the benefit of the Circuit and Southwark Circuit

**LAMBETH CIRCUIT METHODIST CHURCH
TRUSTEES REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31, AUGUST 2021**

Reserve Policy

The Trustees endeavour to maintain sufficient Reserves to ensure that the Circuit is on a "going concern" basis at all times.

The Circuit General Fund (Unrestricted fund) balance at the end of the year was £11,179,788

The value of the Circuit properties (both tangible fixed assets and fixed assets Investment) included in the general fund figure of £11,179,788 is £8,970,017

Our reserves policy is to hold at least 6 month's expenditure. With the current level of annual expenditure (£1.670 M) the expected level of Reserves should be £835K, compared to the actual readily available reserves (Circuit General Fund balance less properties values) of £2.216 M. Even though the reserves are in excess of the recommended level, the trustees consider that it is not excessive due to the programme of refurbishment that are currently being planned for the investment properties and the manses.

Risk Analysis

The Trustees have examined the principal areas of their operations and considered what major risks could arise in each of these areas. In the opinion of the Trustees, resources and review systems have been established which, in the normal conditions, should allow the risks identified by them to be mitigated to an acceptable level in their day to day operations.

Going concern and the impact of Covid-19

The trustees consider that the Circuit has adequate financial resources to continue in operation for the foreseeable future.

The outbreak of Covid-19 virus across the world represented significant event after the year. The effect of the pandemic was that most of the Circuit's administration and the delivery of its objects were done on line. Financially as the churches were not able to meet in person, their ability to meet their annual assessments was severely curtailed.

To reduce the impact caused by the pandemic, the Circuit has relied on its investments at TMCP

The trustees therefore consider that the going concern basis remains a reasonable basis for the preparation of the Circuit accounts.

**LAMBETH CIRCUIT METHODIST CHURCH
TRUSTEES REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31, AUGUST 2021**

Post Balance Sheet Events

Except for the effect of the covid-19 pandemic mentioned above, the Trustees are not aware of any post balance sheet events which could materially affect these financial statements.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Acceptable Accounting Practice)

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

In preparing these financial statements the Trustees are required to:

- > select suitable accounting policies and then apply them consistently
- > observe the methods and principles in the Charities SORP
- > 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 financial statements
- > prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

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 Charities Act of 2011, the appropriate Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Circuit and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware;

- > There is no relevant audit information of which the Circuit's auditor is unaware; and
- > the trustees have taken all steps that they ought to have to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

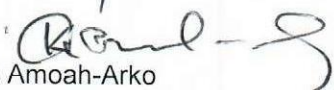
This Report was approved by the Circuit Trustees on their behalf by :

Arabella Hyde



20/7/2023, and signed on

Kojo Amoah-Arko



INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF LAMBETH CIRCUIT METHODIST CHURCH

REPORT ON THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of Lambeth Circuit Methodist Church. (The Circuit) for the year ended 31, August 2021, which comprise of the Statement of Financial Activities, the Balance Sheet, and the related notes to the financial Statement, 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, "Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice)

In our opinion, the financial statements :

- > give a true and fair view of the Circuit's state of affairs as at 31, August 2021 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
- > have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Circuit 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 responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF LAMBETH CIRCUIT
METHODIST CHURCH** (Continued)

OTHER INFORMATION

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon.

The Trustees are responsible for the other information contained within the annual report.

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.

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 course of 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 financial statements 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.

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 Report) 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 financial statements; or
- > sufficient accounting records have not been kept; or
- > the financial statements are not in agreement with the accounting records and returns; or
- > We have not received all the information and explanations we required for our audit.

RESPONSIBILITIES OF THE TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the trustees are responsible for the preparation of the financial statements 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 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 Circuit'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 Circuit or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF LAMBETH CIRCUIT
METHODIST CHURCH** (Continued)

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 errors and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- > As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit.
- > At the commencement of the audit, we obtained an understanding of the legal and regulatory framework applicable to the Circuit, and how the Circuit is complying with that framework.
- > We assessed the susceptibility of the Circuit's financial statements to material misstatement, including how fraud might occur
- > Our engagement partner's assessment of whether the engagement team collectively had the appropriate competence and capabilities to identify or recognize non-compliance with laws and regulations.
- > all matters about non-compliance with laws and regulations and fraud which were detected by the engagement team were to be communicated to the engagement partner
- > Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

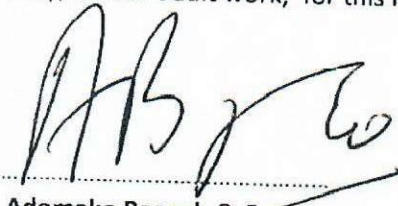
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at :<https://www.frc.org.uk/auditorresponsibilities>. This description forms part of our auditor's report.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF LAMBETH CIRCUIT
METHODIST CHURCH**

(Continued)

USE OF OUR REPORT

This report is made solely to the Circuit Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) regulations 2008. Our audit work has been undertaken so that we might state to the Circuit trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Circuit and the Circuit trustees as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Adomako Basoah & Co.
Senior Auditor

20/07/..... 2023
113, Parchmore Road
Thornton Heath
Surrey. CR7 8LZ

ADOMAKO BASOAH & CO is eligible for appointment as Auditor of the Circuit by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006

LAMBETH CIRCUIT METHODIST CHURCH
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2021

INCOMING RESOURCES	Note	Restricted	Unrestrict.	2021	2020
		£	£	Total	Total
				£	£
Charitable Activities	3	-	291,863	291,863	304,180
Investment income	3	16	100,760	100,776	116,713
Other Income	3	-	2,500,100	2,500,100	1,226
				-	
		16	2,892,723	2,892,739	422,119
RESOURCES EXPENDED					
Raising of funds	4	9	1,324,568	1,324,577	76,380
Charitable activities					
Support	4		277,854	277,854	317,625
Premises cost	4		41,088	41,088	37,831
Governance			6,625	6,625	6,632
Others	4	-	26,500	26,500	151,499
TOTAL RESOURCES USED		9	1,676,636	1,676,645	589,967
NET SURPLUS FOR THE YEAR	5	7	1,216,087	1,216,094	(167,848)
before revaluation adjustments					
Gains on revaluation of					
Fixed assets	6	-	470,017	470,017	-
Prior year adjustment	7	-	1,447,865	1,447,865	-
BALANCE BROUGHT FORWARD		7,132	8,039,819	8,046,951	8,214,796
BALANCE CARRIED FORWARD		7,139	11,173,788	11,180,927	8,046,948

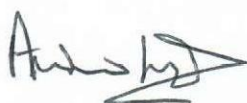
There are no further recognised gains other than the deficit for the above financial year.
The notes to the financial statements form an integral part of these financial statements.

**LAMBETH CIRCUIT METHODIST CHURCH
BALANCE SHEET AS AT 31 AUGUST 2021**

	Note	£	2021 £	£	2020 £
FIXED ASSETS	9				
Tangible fixed assets			5,550,000		3,988,557
Investments			3,420,017		3,063,578
CURRENT ASSETS					
Investments	10	2,000,981		907,878	
Debtors	11	217,305		92,378	
Bank and cash balances	12	129,261		124,411	
			<u>2,347,546</u>	<u>1,124,667</u>	
CREDITORS: Amounts falling due within one year	13	136,636		129,851	
			<u>2,210,910</u>	<u>994,816</u>	
			<u>11,180,927</u>	<u>8,046,951</u>	
FUNDS					
Unrestricted Funds	14		11,173,788		8,039,819
Restricted Fund	14		7,139		7,132
			<u>11,180,927</u>	<u>8,046,951</u>	

The notes on pages 17 to 32 form an integral part of these financial statements.

Approved by the Circuit Meeting on ^{20/7/2023} and signed on its behalf



Revd Dr. Andrew Lyons
Acting Superintendent



K Amoah-Arko
Circuit Treasurer

LAMBETH CIRCUIT METHODIST CHURCH
CASHFLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2021

	£	£
Operating Surplus		1,213,319
Add:		
Increase in debtors	(124,927)	
Increase in short term investments	-	
Increase in creditors	6,785	
	<hr/>	(118,142)
Net cashflow from operating activities		<hr/> 1,095,177
 Cashflow Statement		
Net cashflow from operating activities		1,095,177
Return on investments		2,775
Changes in net unds		<hr/> 1,097,952
 RECONCILIATION OF NET CASHFLOW TO MOVEMENT IN NET LIQUID FUNDS		
Increase in cash		4,849
Increase in TMCP Trust funds- Liquid resources		1,093,103
		<hr/> 1,097,952
		<hr/>

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2021

. BASIS OF ACCOUNTING

1.1 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 (FRS 102) (Second Edition)" and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a "true and fair" view and 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 "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) (Second Edition)" rather than the Accounting and Reporting by Charities : Statement of Recommended Practice effective from 1, April 2005 which has since been withdrawn".

The financial statements have been prepared in accordance with the accounting policies set out in Note 2 to these accounts, and in accordance with the governing document of the Circuit.

1.2 The Circuit constitutes a public benefit entity as defined by FRS 102

1.3 No changes to accounting estimates have occurred in the reporting period.

1.4 No material prior year errors have been identified in the reporting period.

2. ACCOUNTING POLICIES.

INCOMING RESOURCES

2.1 Recognition of Income

Income are recognised and included in the Statement of Financial Activities (SOFA) when:

> The Circuit becomes entitled to the resources;

It is more likely than not that the trustees will receive the resource ; and

> The monetary value can be measured with sufficient reliability.

2.2 Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 or SORP.

LAMBETH CIRCUIT METHODIST CHURCH**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2021****2.3 Grants and Donations**

Grants and Donations are only included in the SoFA when the general income recognition criteria as stated above are met.

2.4 Volunteer Help

The value of any voluntary help received is not included in the accounts.

2.5 Settlement of Insurance Claims

Insurance claims are only included in the SoFA when the general income recognition criteria are met, and are included as an item of other income in the SOFA

2.6 Income from Interest, Royalties and Dividends

This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

2.7 Investment gains and losses

This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the financial year.

2.8 Rental Income

Rental income are only included in the SoFA when the general income recognition criteria are met.

APPLICATION OF RESOURCES.**2.9 Liability Recognition**

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the Circuit to pay out resources and the amount of the obligation can be measured with reasonable certainty.

2.10 Grants.

Grants and donations are accounted for when paid.

2.11 Costs directly related to the work of the circuit.

The district assessment and ministerial stipends are accounted for when due.

LAMBETH CIRCUIT METHODIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2021

FIXED ASSETS.

2.12 Freehold land and buildings

Freehold land and buildings are accounted for at original Cost or valuation basis.

Tangible Fixed Assets

These are the manses managed by the Circuit. The Circuit manages five Manses

Fixed Asset Investments

These are the properties managed by the Circuit with the view to generate income. In the year under review, there was one such property, and one closed to worship church building.

The freehold land and buildings mentioned above are shown in these accounts at deemed valuations, being that property's insurance reinstatement value, as notified by Methodist Insurance Company Plc. Changes in the values of the properties as notified by the Methodist Insurance Company Plc are reflected in these accounts on five-year basis

2.13 CAPITALISATION

All tangible Fixed Assets and Fixed Assets Investments whose costs are in excess of £1,000 in the year concerned are capitalised. Otherwise such costs are written off in the year of the expenditure.

2.14 DEPRECIATION.

Depreciable tangible freehold building values are depreciated at a rate calculated to write off the cost, less residual value over their expected useful lives.

No Depreciation is provided on land values.

No Depreciation is provided on Investment properties. They are stated at market value

Rate of depreciation on tangible freehold buildings as the trustees believe that the market value exceed the book value.

2.15 Tangible fixtures , fittings and office equipments.

All tangible fixtures, fittings and Equipments used by the circuit are written off as and when incurred.

LAMBETH CIRCUIT METHODIST CHURCH**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2021****OTHER ACCOUNTING POLICIES****2.16 Funds**

2.16.1 Unrestricted funds represent funds which are expendable at the discretion of the Circuit in the furtherance of its objects and which have not been designated for other purposes.

2.16.2 Restricted funds can only be used for specified purposes. The purpose of any restricted fund is noted in the financial statements.

2.17 Consolidation

The Circuit oversees the work of ministers and lay workers in churches within the Circuit, but does not have control over those churches, ministers, or the lay workers. For this reason, the financial statements of the churches within the Circuit are not consolidated into these financial statements.

2.18 Going Concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Circuit has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees have therefore continued to adopt the going concern basis in preparing the Circuit's financial statements.

2.19 Employment Benefits

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

2.20 Taxation

In the opinion of the trustees, the Circuit is exempt from the United Kingdom Taxation on its incoming resources for the year.

2.21 Accounting estimates and judgements

In the application of the Circuit's accounting policies, the trustees are required to make judgements, estimates, and assumptions about carrying amount of assets and liabilities that are not readily apparent from other resources. The estimates and associated assumptions are based on historic 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 main assumption concerning the future of the Circuit is that the assessment income will continue to be sufficient to meet the costs of stipends, salaries and manse maintenance. The annual budget, as approved by the Circuit meeting, includes sums necessary for covering these costs. This is then allocated among each church in the Circuit, hence the income is dependent upon the Churches' ability to meet the assessments.

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2021

2.22 Financial Instruments

The Circuit only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.23 Apportionment Of Costs Between Activities

Governance and Other Costs are apportioned between Charitable Activities and Expenditure to raise Funds on the basis of each activity's income in the year in relation to each other. This policy excludes exceptional and non-recurring items.

3 INCOMING RESOURCES

	Restricted Funds	Unrestrict. Funds £	2021 Total Funds £	2020 Total Funds £
3.1 Charitable Activities income				
Circuit assessments		291,863	291,863	304,180
3.2 Investment income				
Central Finance Board Interest	-	95	95	289
TMCP Interest	16	2,664	2,680	7,568
Rental Income		98,001	98,001	108,856
	16	100,760	100,776	116,713
3.3 Other income				
Others	-	100	100	1,226
Sale of Lambeth Mission	-	2,500,000	2,500,000	-
	-	2,500,100	2,500,100	1,226
Total income	16	2,892,723	2,892,739	422,119

LAMBETH CIRCUIT METHODIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2021

	Restricted Funds £	Unrestrict. Funds £	2021 Total Funds £	2020 Total Funds £
4. RESOURCES EXPENDED				
4.1 EXPENDITURE ON RAISING FUNDS				
Properties Repairs and Maintenance		1,920	1,920	5,671
Rent Collection		6,360	6,360	6,863
TMCP- levy	9	54,658	54,667	58,737
TMCP - levy on sale of Lambeth Mission		804,916	804,916	-
Professional fees- Sale of Lambeth Mission		437,705	437,705	-
Legal Fees- Chestnut Road		760	760	-
Bad debt provision		9,208	9,208	-
Audit Fees		1,650	1,650	900
Accountancy Fees		-	-	360
TMCP Charges		558	558	603
Legal Fees- General			-	133
Other Professional Charges			-	215
Telephone		1,047	1,047	871
Post, Print and Stationery		985	985	688
Youth Expenses		2,015	2,015	200
Sundry expenses		2,786	2,786	1,139
	9	1,324,568	1,324,577	76,380
4.2 EXPENDITURE ON CHARITABLE ACTIVITIES				
4.2.1 SUPPORT COST				
District Assessment		65,248	65,248	65,568
Stipends, Pension and NIC		177,711	177,711	185,501
Salaries and NIC		34,137	34,137	38,331
Grants and Donations		-	-	23,546
Ministers' travelling expenses		758	758	4,679
	-	277,854	277,854	317,625

LAMBETH CIRCUIT METHODIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2021

	Restricted Funds £	Unrestrict. Funds £	2021 Total Funds £	2020 Total Funds £
4.2.2 PREMISES COST				
4.2.2.1 Premises Expenses				
Repairs to Manses		13,328	13,328	11,177
Manses Utilites		19,216	19,216	19,521
Insurance		8,544	8,544	7,133
	-	41,088	41,088	37,831
4.2.2.2 Governance costs				
Audit Fees		4,950	4,950	2,700
Accountancy Fees		-	-	1,080
TMCP Charges		1,675	1,675	1,808
Legal Fees		-	-	399
Other Professional Charges		-	-	645
	-	6,625	6,625	6,632
4.2.2.3 Others				
Telephone		3,141	3,141	2,614
Post, Print and Stationery		2,956	2,956	2,063
Youth Expenses		6,045	6,045	600
Sundry expenses		8,358	8,358	3,416
Bad debts- Churches		6,000	6,000	142,806
	-	26,500	26,500	151,499

LAMBETH CIRCUIT METHODIST CHURCH**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2021****5. SURPLUS/DEFICIT FOR THE YEAR**

	2021	2020
	£	£
The deficit for the year was arrived at after charging		
Auditors Fees	6,600	3,600
Other services	-	1,440
Legal fees	1,140	532
	<hr/>	<hr/>

6. GAINS ON REVALUATION OF FIXED ASSETS

Revaluation of fixed assets- Manses	250,000	-
Revaluation of investment properties	220,017	-
	<hr/>	<hr/>
	470,017	
	<hr/>	<hr/>

7. PRIOR YEAR ADJUSTMENTS

Revaluation loss on fixed assets investments	(373,034)	-
Surplus on revaluation of manses	1,820,899	-
	<hr/>	<hr/>
	1,447,865	-
	<hr/>	<hr/>

8. PAYMENT TO LAY EMPLOYEES

Salaries	30,853	35,146
Employers National insurance	1,926	1,860
Pension contribution	1,358	1,325
	<hr/>	<hr/>
	34,137	38,331
	<hr/>	<hr/>

Average number of employees

1

1

LAMBETH CIRCUIT METHODIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2021

9. FIXED ASSETS

9.1 TANGIBLE FIXED ASSETS

COST OR VALUATION	Freehold Land & Buildings £
As at 1 September 2020	3,988,557
Transfers	(509,456)
Revaluation surplus	2,070,899
As at 31 August 2021	<u>5,550,000</u>
DEPRECIATION	
As at 1 September 2020 and 31 August 2021	<u>-</u>
NET BOOK VALUE	
As at 31 August 2021	<u>5,550,000</u>
As at 31 August 2020	<u>3,988,557</u>

LAMBETH CIRCUIT METHODIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2021

9.2 FIXED ASSETS INVESTMENTS

	Freehold Land & Buildings £
COST OR VALUATION	
As at 1 September 2020	3,063,578
Transfers	509,456
Revaluation adjustment	(153,017)
	<u>3,420,017</u>
NET BOOK VALUE	
As at 31 August 2021	<u>3,420,017</u>
As at 31 August 2020	<u>3,063,578</u>

No depreciation has been provided in respect of tangible fixed assets for the year as they are of the opinion that the maintenance programmes to which these properties are subjected to ensure that the estimated residual values are not less than the stated values

10. INVESTMENTS

	2021 £	2020 £
Sale of property - Trust 15175	22,378	22,348
De-Bourcier Bequest- Trust 8976	3,108	3,104
Clapham model trust fund	-	19,064
De-Bourcier Bequest-8976B /8976A	16,249	16,249
Bernard Searle Bequest- Trust 17694	1,556	1,554
Circuit Model Trust - Trust 22136	1,957,689	845,558
	<u>2,000,981</u>	<u>907,878</u>

LAMBETH CIRCUIT METHODIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2021

	2021	2020
	£	£
11. DEBTORS		
Circuit Assessments from churches	178,045	51,422
Loan to Churches	22,000	11,000
Prepayments	17,260	29,956
	<u>217,305</u>	<u>92,378</u>

Basic financial assets, including other debtors and prepayments are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

12. BANK AND CASH BALANCES

HSBC Current account	53,047	44,356
Central Finance Board of the Methodist Church-Deposit	76,214	80,055
	<u>129,261</u>	<u>124,411</u>

Cash and cash equivalent includes cash in hand, deposits held at call with banks, other short term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

LAMBETH CIRCUIT METHODIST CHURCH**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2021****13. CREDITORS: Amounts falling due within one year**

	2021	2020
	£	£
Rents received in advance	4,370	4,370
Other creditors	26,102	44,588
Loans	60,000	60,000
Accruals	46,164	20,893
	<hr/>	<hr/>
	136,636	129,851
	<hr/>	<hr/>

Basic financial liabilities, including trade and other creditors, loans from third parties and loans from related parties 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. Such instruments are subsequently carried at amortised cost using the effective interest method, less any impairment.

LAMBETH CIRCUIT METHODIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2021

14. FUNDS

RESTRICTED FUNDS

	01-Sep-20 Receipts		Payments	Transfers	31-Aug-21
Ministerial Training Funds	4,032	11	6		4,037
Benevolent Funds	3,100	5	3		3,102
	<u>7,132</u>	<u>16</u>	<u>9</u>	<u>-</u>	<u>7,139</u>

UNRESTRICTED FUNDS

General funds	8,039,819	2,892,723	1,676,636	1,917,882	11,173,788
Total funds	<u>8,046,951</u>	<u>2,892,739</u>	<u>1,676,645</u>	<u>1,917,882</u>	<u>11,180,927</u>

The Ministerial Training funds is set up to provide training and development for and local preachers in the Circuit

The Benevolent Fund relates to money raised for the relief of poverty and distress in the Circuit

General funds are money raised for the general running of the Circuit

15. ANALYSIS OF FUND BALANCES BETWEEN THE NET ASSETS

	Unrestrict. £	Restricted £	Total £
Tangible fixed assets	8,970,017	-	8,970,017
Investments	1,997,881	3,100	2,000,981
Current assets	342,534	4,032	346,566
Current liabilities	(136,636)	-	(136,636)
	<u>11,173,795</u>	<u>7,132</u>	<u>11,180,927</u>

LAMBETH CIRCUIT METHODIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2021

16. RELATED PARTY TRANSACTIONS
TRUSTEES REMUNERATIONS AND BENEFITS

All the Ministers serving in the Circuit are members of the Circuit Meeting

17. TRANSACTION WITH RELATED PARTIES

During the year, four Trustees received stipends in the sum of £177,711, (2020 - £185,501), and expenses (relating to travel, telephone broadband and other costs) of £4,943 (2020 - £8,263).

Although the Circuit pays the ministerial stipends, the Ministers are not employed by the Circuit. Ministers are employed by Conference, but it is the responsibility of the Circuit to pay them.

There were no other related parties transactions for the year ended 31, August 2021

Connected organisations include the Methodist Connexion, Churches within the Circuit, other Methodist Districts in Great Britain, CFB, and TMCP. All these entities have their own trustees and autonomous administration such that the Circuit has no material influence over them. They are, therefore not considered related parties.

18. POST BALANCE SHEET EVENTS

There has been no post balance sheet event which could materially affect these financial statements

However, as a result of the Covid-19 pandemic, the churches attendance has gone down and the activities of the churches tenants have also been drastically reduced. Hence the churches' ability to pay their respective future circuit assessments, and the tenants' ability to meet their future rent payment obligations are in doubt.

However the "going concern" of the circuit is not threatened, as the circuit has set up an interim Finance committee to monitor the finances of the individual churches to ensure that wherever possible, there is a sharing of resources amongst the churches. In the short term, the circuit intends to rely on its reserves with the TMCP to meet its immediate financial obligations.

LAMBETH CIRCUIT METHODIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2021

19. Volunteer Contribution

Every wing of the Methodist Church (Local Churches, Circuits, Districts, Connexion) in the United Kingdom is heavily reliant on volunteers who contribute their skills, time, money and their resources in the furtherance of the work of the church. Principally, this contribution is by serving on committees of the Circuit that deal with mission, manses, finance, policy, grants, training developments, etc etc.

The contribution of volunteers is not included within the income of the Circuit.

We are grateful to all of them for their help and commitments

20. Ministers' manse costs

The Circuit is required to provide accommodation for each Minister and his/her family. The Circuit bears the costs of repairs, maintenance, building insurance, Council Tax and water charges on the properties . These costs are not shown separately as benefit-in-kind for the Ministers as HMRC does not seek to tax these receipts in the hands of the Ministers. Similarly. these costs are not disclosed as related parties' transactions in these accounts.

LAMBETH CIRCUIT METHODIST CHURCH

England & Wales - Charity number 1175488

Accounts

LAMBETH CIRCUIT METHODIST CHURCH

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2020

LAMBETH CIRCUIT METHODIST CHURCH
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2020

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**LAMBETH CIRCUIT METHODIST CHURCH
TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31, AUGUST 2020**

The Trustees present their report together with the Audited financial statements for the year ended 31, August 2020

BASIS OF ACCOUNTS PREPARATION

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 (FRS 102) (Second Edition)" and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a "true and fair" view and 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 "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) (Second Edition)" rather than the Accounting and Reporting by Charities : Statement of Recommended Practice effective from 1, April 2005 which has since been withdrawn".

The financial statements have been prepared in accordance with the accounting policies set out in Note 2 to these accounts, and in accordance with the governing document of the Circuit.

GOVERNING DOCUMENT AND OBJECTIVE

The governing document for the circuit is the Deed of Union (1932) and the Methodist Church Act (1976).

The Purpose 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 discipline of the Methodist Church;
- (b) any charitable purposes 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 subsidiary or ancillary to The Methodist Church;
- (d) any purpose for the time being of any charity subsidiary or ancillary to The Methodist Church.

In striving to achieve its objectives, the Trustees give careful consideration to the Charity Commission's general guidance on public benefit.

We confirm that the Circuit is a public benefit entity as defined by FRS 102.

TRUSTEES

The Trustees of the Circuit are selected from given office holders of the Methodist Church

**LAMBETH CIRCUIT METHODIST CHURCH
TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31, AUGUST 2020 (Continued)**

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CIRCUIT, ITS TRUSTEES AND ADVISORS,

The Circuit is managed on day to day basis by the Superintendent minister, the ministers and the Circuit Stewards. The Circuit Meeting Members who are also trustees are:

District Chair	Revd Dr Jongikaya Zihle
Superintendent Minister	Revd Andrew Dart
Circuit Ministers	Revd Kristin Markay (from 1 September 2019) Revd Lena Ali Revd Dr Andrew Lyons
Minister resident in the Circuit	Revd Andrew Goodhead
Supernumerary residing in Circuit	Revd Gordon Ashworth Revd Graham Thomas
Circuit Stewards	Nancy Acquaaah Alice Achola-Omara Daniel Sackey Christine Annor Victoria Odofoin Abigail Tagoe
Circuit Treasurer	Kojo Amoah-Arko
Circuit Meeting Secretary	Arabella Hyde
Local Preachers' Secretary	Hugh Bain
Property Group Co-Ordinator	Robert Smyth
Safeguarding Co-Ordinator	Sandra Taylor
Young Peoples' Representative	Janet Oppong/Danielle Young
Local Church Representatives:	
Streatham	Tina Oblitey Carl Opare-Addo Tina Rawlings Jacob Arkaah

**LAMBETH CIRCUIT METHODIST CHURCH
TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31, AUGUST 2020 (Continued)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CIRCUIT, ITS TRUSTEES AND
ADVISORS (Continued.)**

Tulse Hill	Christine Annor Kwadwo Asamoah-Boadu Emmanuel Bentsi-Abban Carmen Gamet Rose
Brixton Hill	Kathy Rennalls Janet Oppong Robert Smyth Enley Taylor Yvonne Less Lynda-Anne Garwood-Warren
Mostyn Road	Helen Erekpaine Nana Dormon Margaret Ofusu
Railton Road	Eunice Shepherd Temitope Tayo Victoria Odojin Andy Kalamuso
LMSM's & Vauxhall Mission	Caroline Laing Ade Balogun Jermaine Omara
BANKERS AND AUDITORS	
Bankers	HSBC Bank Plc Central Finance Board of the Methodist Church
Auditors	Adomako Basoah & Co Chartered Certified Accountants 113 Parchmore Road Thornton Heath. Surrey. CR7 8LZ

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Circuit is managed by a leadership team made up of the ministers, the Circuit stewards and local church representatives. The Circuit ensures that incoming stewards are well equipped by arranging for them to attend training and seminars organised by the District and the Circuit for that purposes.

The Circuit Leadership team meets periodically to discuss finance, property and other matters pertaining to the life of the Circuit and to make recommendations to the Circuit Meeting.

**LAMBETH CIRCUIT METHODIST CHURCH
TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31, AUGUST 2020 (Continued)**

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Circuit Meeting also meets at least twice a year to consider recommendations and received reports from and to the Methodist Conference, London District Synod, the Circuit Leadership Team and the Circuit Stewards, and conducts other business as appropriate.

FUNCTIONS OF THE CIRCUIT

Mission statement

The Circuit's mission statement is "to be open to God, open to Life and open to the world".

The main function of the Circuit is to provide the support mechanism to the local churches within the Circuit. Careful consideration of the Charity Commission's general guidance on public benefit has been borne in mind in reviewing the functions of the Circuit and in planning its activities. The trustees consider the current activities as detailed in this report deliver public benefit.

The Circuit is responsible for the following:

- * To provide ministerial oversight and pastoral care for the 6 local churches in the Circuit
- * To Support the ministerial team of 4 presbyteral ministers.
- * To maintain 4 manses and to manage 2 investment properties.
- * To support local churches in providing place for worship

MAIN GOALS FOR THE YEAR

The main goals for the year were:

- * To identify priorities for further use and application of funds at the disposal of the Circuit
- * to use its resources effectively to further its mission
- * to develop its work among the young people
- * to investigate ways of working together to achieve the objectives of the circuit

The Trustees were able to achieve the goals as set at the beginning of the year

ACHIEVEMENTS AND PERFORMANCE

FINANCIAL REVIEW

Review of past performance

In furtherance of its goals, the Circuit continued to develop the youth project in partnership with the Accension Trust. This resulted in the establishment of the 60-40 project which takes place at Kings Acre church premises. It is called the 60-40 project because in partnership with the Accension Trust, the Circuit bears 40% of the costs. The project employs a youth worker who works with the young people in the circuit.

During the year, the Circuit continued to maintain its manses at the levels required by the Methodist Church.

**LAMBETH CIRCUIT METHODIST CHURCH
TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31, AUGUST 2020 (Continued)**

The Circuit recorded a deficit of £79,664 (2019 - £159,105) before revaluation gains for the year. The main reason was the impact of the District levy on the Model Trust Funds- £58,737 (2019- £65,695).

Reserves

The balance of the unrestricted funds at 31 August 2020 was £5,576,902 (2019 - £5,656,637) This includes the value of the Fixed Assets of £4,552,135 thereby leaving a net liquid balance of £1,024,767 for the general running of the Circuit.

PLANS FOR THE FUTURE

The Trustees continued to explore ways of working with other neighbouring Circuit. In this regards it merged with the Clapham Circuit and formed a Lambeth wide circuit of the Methodist Churches within the London Borough of Lambeth. The new Circuit, called the Lambeth Circuit, was inaugurated on 1st September 2020.

Reserve Policy

The Trustees endeavour to maintain sufficient Reserves to ensure that the Circuit is on a "going concern" basis at all times.

The Circuit General Fund (Unrestricted fund) balance at the end of the year was £5,576,902

The value of the Circuit properties (both tangible fixed assets and fixed assets Investment) included in the general fund figure of £5,576,902 is £4,552,135

Our reserves policy is to hold at least 6 month's expenditure. With the current level of annual expenditure (£350 K) the expected level of Reserves should be £175K, compared to the actual readily available reserves (Circuit General Fund balance less properties values) of £1,025K. The current reserves are far in excess of the required level and the Trustees intend to take the appropriate measures to bring the actual reserves in line with the expected level.

Risk Analysis

The Trustees have examined the principal areas of their operations and considered what major risks could arise in each of these areas. In the opinion of the Trustees, resources and review systems have been established which, in the normal conditions, should allow the risks identified by them to be mitigated to an acceptable level in their day to day operations.

Going concern and the impact of Covid-19

The trustees consider that the Circuit has adequate financial resources to continue in operation for the foreseeable future.

The outbreak of Covid-19 virus across the world represented significant event after the year. The effect of the pandemic was that most of the Circuit's administration and the delivery of its objects were done on line. Financially as the churches were not able to meet in person, their ability to meet their annual assessments was severely curtailed.

To reduce the impact caused by the pandemic, the Circuit has relied on its investments at TMCP

**LAMBETH CIRCUIT METHODIST CHURCH
TRUSTEES REPORT AND ACCOUNTS FOR THE YEAR ENDED 31, AUGUST 2020 (Continued)**

The trustees therefore consider that the going concern basis remains a reasonable basis for the preparation of the Circuit accounts.

Post Balance Sheet Events

Except for the effect of the covid-19 pandemic mentioned above, the Trustees are not aware of any post balance sheet events which could materially affect these financial statements.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Acceptable Accounting Practice)

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

In preparing these financial statements the Trustees are required to:

- > select suitable accounting policies and then apply them consistently
- > observe the methods and principles in the Charities SORP
- > 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 financial statements
- > prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

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 Charities Act of 2011, the appropriate Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Circuit and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware;

- > There is no relevant audit information of which the Circuit's auditor is unaware; and
- > the trustees have taken all steps that they ought to have to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.


APPROVAL

This Report was approved by the Circuit Trustees on their behalf by:



Arabella Hyde

Circuit Meeting Secretary

31/8/2022, and signed on

Kojo Amoah-Arko

Trustee

page 6

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF LAMBETH CIRCUIT METHODIST CHURCH

REPORT ON THE FINANCIAL STATEMENTS

QUALIFIED OPINION

We have audited the financial statements of Lambeth Circuit Methodist Church. (The Circuit) for the year ended 31, August 2020, which comprise of the Statement of Financial Activities, the Balance Sheet, and the related notes to the financial Statement, 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, "Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice)

In our opinion, except for the effects of the matter described in the basis for qualified opinion section, the financial statements:

- > give a true and fair view of the Circuit's state of affairs as at 31, August 2020 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
- > have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR QUALIFIED OPINION

The values of the Circuit properties in these accounts are at Methodist Insurance Company's "Insured values". The "insured values" are neither "Original Costs" nor "fair values" arising from proper valuations of the properties. Instead the "insured values" are the "replacement costs" of the properties.

The valuations do not separate the value of the Land from the value of the buildings.

Consequently, the valuations of the properties in these accounts do not conform to the United Kingdom Generally Accepted Accounting Practice (FRS 102) which requires properties to be shown in the accounts at either original costs or "fair values" (FRS 102) and the value of land to be separated from the value of the buildings.

The same valuation basis was applied in the previous year's financial statements.

Consequently the current year's financial statements and the opening balances of the Circuit's financial statements could contain errors and misstatements which materially could affect the current year's financial statements.

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 Circuit 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

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF LAMBETH CIRCUIT
METHODIST CHURCH**

(Continued)

that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where :

- > the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- > the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Circuit's ability to continue to adopt the going concern basis of accounting for the period of at least twelve months from the date when the financial statements are authorised for issue.

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

Except for the matter described in the basis for qualified opinion of our report, we have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Report) Regulation 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 financial statements; or
- > sufficient accounting records have not been kept; or
- > the financial statements are not in agreement with the accounting records and returns; or
- > We have not received all the information and explanations we required for our audit.

RESPONSIBILITIES OF THE TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the trustees are responsible for the preparation of the financial statements 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 the 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 Circuit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF LAMBETH CIRCUIT
METHODIST CHURCH**

(Continued)

and using the going concern basis of accounting unless the trustees either intend to liquidate the Circuit or as to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS.

We have been appointed as Auditors 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. Misstatement can arise from fraud or errors and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these financial statements.

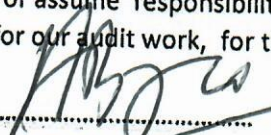
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We designed procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting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

- > At the commencement of the audit, we obtained an understanding of the legal and regulatory framework applicable to the Circuit, and how the Circuit is complying with that framework.
- > We assessed the susceptibility of the Circuit's financial statements to material misstatement, including how fraud might occur
- > Our engagement partner's assessment of whether the engagement team collectively had the appropriate competence and capabilities to identify or recognize non-compliance with laws and regulations.
- > all matters about non-compliance with laws and regulations and fraud which were detected by the engagement team were to be communicated to the engagement partner

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/auditorresponsibilities>. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the Circuit Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) regulations 2008. Our audit work has been undertaken so that we might state to the Circuit trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Circuit and the Circuit trustees as a body, for our audit work, for this report, or for the opinion we have formed.

.....

Adomako Basoah & Co.
Senior Auditor

31/05/2022
..... 2022
113, Parchmore Road
Thornton Heath
Surrey. CR7 8LZ

ADOMAKO BASOAH & CO is eligible for appointment as Auditor of the Circuit by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006

LAMBETH CIRCUIT METHODIST CHURCH

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2020

INCOMING RESOURCES	Note	Unrestricted	Restricted	Total	2019
Charitable Activities	3.1	153,100	0	153,100	138,000
Investment income	3.2	116,642	71	116,713	81,458
Other Income	3.3	<u>986</u>	<u>0</u>	<u>986</u>	<u>3,106</u>
		<u>270,728</u>	<u>71</u>	<u>270,799</u>	<u>222,564</u>
RESOURCES EXPENDED					
Expenditure on Raising Funds	4.1	12,800	0	12,800	9,999
Expenditure on Charitable Activities	4.2.3	294,940	0	294,940	359,248
Others	4.3	<u>42,723</u>	<u>0</u>	<u>12,422</u>	<u>12,422</u>
TOTAL RESOURCES USED		<u>350,463</u>	<u>0</u>	<u>350,463</u>	<u>381,669</u>
NET DEFICIT FOR THE YEAR Before Recognised Gains		(79,735)	71	(79,664)	(159,105)
BALANCE BROUGHT FORWARD		<u>5,656,637</u>	<u>7,061</u>	<u>5,663,698</u>	<u>5,822,803</u>
BALANCE CARRIED FORWARD		<u>5,576,902</u>	<u>7,132</u>	<u>5,584,034</u>	<u>5,663,698</u>

There are no further recognised gains other than the deficit for the above financial year.

The notes to the financial statements form an integral part of these financial statements.

**LAMBETH CIRCUIT METHODIST CHURCH
BALANCE SHEET AS AT 31 AUGUST 2020**

				2019	
	Note	£		£	
FIXED ASSETS					
		unrestricted	Restricted	T O T A L	
Tangible Fixed Assets	5.1	1,488,557	0	1,488,557	1,488,557
Investments	5.2	<u>3,063,578</u>	<u>0</u>	<u>3,063,578</u>	<u>3,063,578</u>
Total Fixed Assets		<u>4,552,135</u>	<u>0</u>	<u>4,552,135</u>	<u>4,552,135</u>
CURRENT ASSETS					
Investments	6.1	888,742	71	888,813	942,827
Debtors	7	91,780	0	91,780	128,372
Bank and cash balances	8	<u>96,770</u>	<u>7,061</u>	<u>103,831</u>	<u>84,201</u>
		<u>1077292</u>	<u>7,132</u>	<u>1,084,424</u>	<u>1,155,400</u>
CREDITORS: Amounts falling due within one year	9	<u>52,525</u>	<u>0</u>	<u>52,525</u>	<u>43,837</u>
TOTAL NET CURRENT ASSETS		<u>1,024,767</u>	<u>7,132</u>	<u>1,031,899</u>	<u>1,111,563</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,576,902</u>	<u>7,132</u>	<u>5,584,034</u>	<u>5,663,698</u>
FUNDS					
	10				
Restricted Funds	10.1		7,132	7,132	7,061
Unrestricted Funds	10.3	<u>5,576,902</u>		<u>5,576,902</u>	<u>5,656,637</u>
		<u>5576902</u>	<u>7,132</u>	<u>5,584,034</u>	<u>5,663,698</u>

The notes to the financial statements form an integral part of these financial statements.

Approved by the Trustees on 31/07 2022
and signed on their behalf by :



Revd Andrew Dart
Superintendent Minister



Kojo Amoah-Arko
Circuit Treasurer

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2020

. BASIS OF ACCOUNTING

1.1 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 (FRS 102) (Second Edition)" and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a "true and fair" view and 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 "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) (Second Edition)" rather than the Accounting and Reporting by Charities : Statement of Recommended Practice effective from 1, April 2005 which has since been withdrawn".

The financial statements have been prepared in accordance with the accounting policies set out in Note 2 to these accounts, and in accordance with the governing document of the Circuit.

1.2 The Circuit constitutes a public benefit entity as defined by FRS 102

1.3 No changes to accounting estimates have occurred in the reporting period.

1.4 No material prior year errors have been identified in the reporting period.

2. ACCOUNTING POLICIES.

INCOMING RESOURCES

2.1 Recognition of Income

Income are recognised and included in the Statement of Financial Activities (SoFA) when:

- > The Circuit becomes entitled to the resources;
- It is more likely than not that the trustees will receive the resource ; and
- > The monetary value can be measured with sufficient reliability.

2.2 Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102

2.3 Grants and Donations

Grants and Donations are only included in the SoFA when the general income recognition criteria as stated above are met.

2.4 Legacies

Legacies are included in the SoFA when receipt is probable, that is, when there has been grant of probate, the Executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the charity or have been met.

LAMBETH CIRCUIT METHODIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2020 (continued)

2.5 Tax Reclaim on Donations and Gifts

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

2.6 Donated Goods

Donated goods are measured at fair value, (the amount for which the asset could be exchanged) unless impractical to do so.

Goods donated for on-going use by the Circuit are recognised as tangible fixed assets and included in the SoFA as incoming resources when receivable.

Gifts in kind for use by the Circuit are included in the SoFA as income from donations when receivable

2.7 Donated Services and Facilities

Donated services and facilities are included in the SoFA when received at the value of the gift to the Circuit provided the value of the gift can be measured reliably.

2.8 Volunteer Help

The value of any voluntary help received is not included in the accounts.

2.9 Settlement of Insurance Claims

Insurance claims are only included in the SoFA when the general income recognition criteria are met, and are included as an item of other income in the SoFA

2.10 Income from Interest, Royalties and Dividends

This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

2.11 Investment gains and losses

This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the financial year.

2.12 Rental Income

Rental income are only included in the SoFA when the general income recognition criteria are met.

APPLICATION OF RESOURCES.

2.13 Liability Recognition

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the Circuit to pay out resources and the amount of the obligation can be measured with reasonable certainty.

2.14 Grants.

Grants and donations are accounted for when paid.

2.15 Costs directly related to the work of the circuit.

The district assessment and ministerial stipends are accounted for when due.

LAMBETH CIRCUIT METHODIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2020 (continued)

FIXED ASSETS.

2.16 Freehold land and buildings

Freehold land and buildings are accounted for at original Cost or subsequent valuation basis.

Tangible Fixed Assets

These are the manses managed by the Circuit. The Circuit manages four Manses

Fixed Asset Investments

These are the properties managed by the Circuit with the view to generate income.
In the year under review, there was one such property, and one closed-to-worship church building.

The freehold land and buildings mentioned above are shown in these accounts at deemed valuations, being that property's insurance reinstatement value, as notified by Methodist Insurance Company Plc. Changes in the values of the properties as notified by the Methodist Insurance Company Plc are reflected in these accounts on five-year basis

2.17 CAPITALISATION

All tangible Fixed Assets and Fixed Assets Investments whose costs are in excess of £1,000 in the year concerned are capitalised. Otherwise such costs are written off in the year of the expenditure.

2.18 DEPRECIATION.

Depreciable tangible freehold building values are depreciated at a rate calculated to write off the cost, less residual value over their expected useful lives.

No Depreciation is provided on land values.

No Depreciation is provided on Investment properties

Rate of Depreciation on tangible freehold buildings - 2.5% on straight line basis.

2.18 Tangible fixtures , fittings and office equipments.

All tangible fixtures, fittings and Equipments used by the circuit are written off as and when incurred.

OTHER ACCOUNTING POLICIES

2.19 Funds

2.19.1 Unrestricted funds represent funds which are expendable at the discretion of the Circuit in the furtherance of its objects and which have not been designated for other purposes.

2.19.2 Restricted funds can only be used for specified purposes. The purpose of any restricted fund is noted in the financial statements.

LAMBETH CIRCUIT METHODIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2020 (continued)

2.20 Consolidation

The Circuit oversees the work of ministers and lay workers in churches within the Circuit, but does not have control over those churches, ministers, or the lay workers. For this reason, the financial statements of the churches within the Circuit are not consolidated into these financial statements.

2.21 Going Concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Circuit has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees have therefore continued to adopt the going concern basis in preparing the Circuit's financial statements.

2.22 Employment Benefits

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

2.23 Taxation

In the opinion of the trustees, the Circuit is exempt from the United Kingdom Taxation on its incoming resources for the year.

2.24 Accounting estimates and judgements

In the application of the Circuit's accounting policies, the trustees are required to make judgements, estimates, and assumptions about carrying amount of assets and liabilities that are not readily apparent from other resources. The estimates and associated assumptions are based on historic 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 main assumption concerning the future of the Circuit is that the assessment income will continue to be sufficient to meet the costs of stipends, salaries and manse maintenance. The annual budget, as approved by the Circuit meeting, includes sums necessary for covering these costs. This is then allocated among each church in the Circuit, hence the income is dependent upon the Churches' ability to meet the assessments.

2.25 Financial Instruments

The Circuit only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2020 (Continued)

3 INCOMING RESOURCES

3.1 Charitable Activities income

	Unrestricted Funds	Restricted Funds	TOTAL Fund 2020	20 Unrestricted Fund	0 Restricted Fund	1 Total Fund 2019	9
	£	£	£	£	£	£	£
Circuit assessments	<u>153,100</u>	<u>0</u>	<u>153,100</u>	<u>138,000</u>	<u>0</u>	<u>138,000</u>	
3.2 Investment income							
Central Finance Board Interest	218	71	289	284	0	284	
TMCP Interest	7,568	0	7,568	8,174	0	8,174	
Rental Income	<u>108,856</u>	<u>0</u>	<u>108,856</u>	<u>73,000</u>	<u>0</u>	<u>73,000</u>	
	<u>116,642</u>	<u>71</u>	<u>116,713</u>	<u>81,458</u>	<u>0</u>	<u>81,458</u>	
3.3 Other income							
Others	<u>986</u>	<u>0</u>	<u>986</u>	<u>3,106</u>	<u>413</u>	<u>3,519</u>	
	<u>986</u>	<u>0</u>	<u>986</u>	<u>3,106</u>	<u>413</u>	<u>3,519</u>	

4 RESOURCES EXPENDED

	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	£	£	£	£	£	£
4.1 EXPENDITURE ON RAISING FUNDS						
Properties Repairs and Maintenance	5,671	0	5,671	8,575	0	8,575
Rent Collection	6,863	0	6,863	1,424	0	1,424
Legal Fees	<u>266</u>	<u>0</u>	<u>266</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>12,800</u>	<u>0</u>	<u>12,800</u>	<u>9,999</u>	<u>0</u>	<u>9,999</u>
4.2 EXPENDITURE ON CHARITABLE ACTIVITIES						
4.2.1 DIRECT SPENDING						
District Assessment	36,484	0	36,484	35,257	0	35,257
Stipends, Pension and NIC	114,698	0	114,698	108,127	0	108,127
Salaries and NIC	25,265	0	25,265	24,516	0	24,516
Training	0	0	0	0	0	0
Grants and Donations	23,547	0	23,547	5,600	0	5,600
Ministers' travelling expenses	<u>4,679</u>	<u>0</u>	<u>4,679</u>	<u>7,766</u>	<u>0</u>	<u>7,766</u>
	<u>204,673</u>	<u>0</u>	<u>204,673</u>	<u>181,266</u>	<u>0</u>	<u>181,266</u>
4.2.2 SUPPORT FOR CHARITABLE ACTIVITIES						
4.2.2.1 Premises Expenses						
Repairs to Manses	5,090	0	5,090	74,968	0	74,968
Manses Utilites	9,077	0	9,077	17,447	0	17,447
Manses Cleaning	0	0	0	600	0	600
Insurance	<u>4,097</u>	<u>0</u>	<u>4,097</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>18,264</u>	<u>0</u>	<u>18,264</u>	<u>93,015</u>	<u>0</u>	<u>93,015</u>
4.2.2.2 Governance costs						
Audit Fees	3,600	0	3,600	3,600	0	3,600
Accountancy Fees	1,440	0	1,440	3,240	0	3,240
TMCP Charges	1,886	0	1,886	2,075	0	2,075
Legal Fees	266	0	266	933	0	933
Other Professional Charges	<u>860</u>	<u>0</u>	<u>860</u>	<u>2,580</u>	<u>0</u>	<u>2,580</u>
	<u>8,052</u>	<u>0</u>	<u>8,052</u>	<u>12,428</u>	<u>0</u>	<u>12,428</u>

LAMBETH CIRCUIT METHODIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2020 (Continued)

	Unrestricted Funds £	Restricted Funds £	Total £	Unrestricted Funds £	Restricted Funds £	Total £
4.2.2.3 Others						
DAF Contribution	58,737	0	58,737	65,695	0	65,695
Telephone	1,664	0	1,664	2,694	0	2,694
Post, Print and Stationery	2,750	0	2,750	1,782	0	1,782
Youth Expenses	800	0	800	1,334	0	1,334
Circuit Activities	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,034</u>	<u>0</u>	<u>1,034</u>
	<u>63,951</u>	<u>0</u>	<u>63,951</u>	<u>72,539</u>	<u>0</u>	<u>72,539</u>
4.2.3 SUMMARY OF EXPENDITURE ON CHARITABLE ACTIVITIES						
Direct Spending	204,673	0	204,673	181,266	0	181,266
Support for charitable activities						
Premises Expenses	18,264	0	18,264	93,015	0	93,015
Governance	8,052	0	8,052	12,428	0	12,428
Others	<u>63,951</u>	<u>0</u>	<u>63,951</u>	<u>72,539</u>	<u>0</u>	<u>72,539</u>
	<u>294,940</u>	<u>0</u>	<u>294,940</u>	<u>359,248</u>	<u>0</u>	<u>359,248</u>
4.3 OTHER						
Sundry Expenses	1,203	0	1,203	1,401	0	1,401
Boundary Settlement Cost	0	0	0	3,142	0	3,142
Subscription	375	0	375	3,604	0	3,604
IT and Website Expenses	0	0	0	4,275	0	4,275
Bad Debts	<u>41,145</u>	<u>0</u>	<u>41,145</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other expenditure	<u>42,723</u>	<u>0</u>	<u>42,723</u>	<u>12,422</u>	<u>0</u>	<u>12,422</u>

LAMBETH CIRCUIT METHODIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2020 (continued)

5. FIXED ASSETS

5.1 TANGIBLE FIXED ASSETS

COST OR VALUATION

FREEHOLD LAND AND BUILDING

Balance at 1, September 2019	£ 1,488,557
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Balance at 31, August 2020	<u>1,488,557</u>
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DEPRECIATION

As at 1 September 2019 and 31, August 2020	<u>0</u>
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NET BOOK VALUE

As at 31 August 2020	<u>1,488,557</u>
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As at 31 August 2019	<u>1,488,557</u>
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5.2 FIXED ASSETS INVESTMENTS

COST OR VALUATION

FREEHOLD LAND AND BUILDINGS

Balance at 1, September 2019	3,063,578
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Balance as at 31, August 2020	<u>3,063,578</u>
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NET BOOK VALUE

As at 31, August 2020	<u>3,063,578</u>
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As at 31, August 2019	<u>3,063,578</u>
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5.3.1) The values placed on the above properties are those of the Methodist Insurance Company's "Insured Values" as at 31, August 2018 . The "Insured Values" are the expected insurance cost to replace these properties. The values are neither original Costs nor "fair values".

5.3.2) No depreciation has been provided in respect of the tangible fixed asset properties for the year as the Trustees consider that the depreciable value is NIL. They are of the opinion that the Maintenance programmes to which these properties are subjected to ensure that the estimated residual values are not less than the stated values.

5.3.3) The Circuit did not have any Heritage Asset

LAMBETH CIRCUIT METHODIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2020 (continued)

6. MATERIAL INVESTMENT HOLDINGS

6.1 The following funds are held on behalf of the Circuit by TMCP

	2020	2019
Sale of Property - Trust 15175	22,348	22,201
De-Bourcier Bequests - Trust 8976	4,313	4,322
De-Bourcier Bequests - 8976A	3,104	3,084
De-Bourcier Bequests - 8976B	11,936	11,857
Bernard Searle Bequest - Trust 17694	1,554	1,544
Circuit Model Trust - Trust 22136	<u>845,558</u>	<u>899,819</u>
	<u>888,813</u>	<u>942,827</u>

T M C P Investments are held at cost less accumulated impairment losses.

6.2 INCOME FROM MATERIAL INVESTMENT HOLDINGS

	Market value at 31/12/2020	Income for the year.
Investment Property	3,063,578	108,856
Investments with TMCP	<u>888,813</u>	<u>7,568</u>
TOTAL	<u>3,952,391</u>	<u>116,424</u>

7. DEBTORS

		2019
Circuit Assessment Debtor - Due from Local Churches	51,422	63,373
Loans to Local Churches	11,000	51,145
Prepayments	<u>29,358</u>	<u>13,854</u>
	<u>91,780</u>	<u>128,372</u>

Basic financial assets, including other debtors and prepayments are initially recognised at transaction price, 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. Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

8. BANK AND CASH BALANCES

	2020	2019
HSBC Current Account	37,337	50,673
Central Finance Board- Deposit	<u>66,494</u>	<u>33,528</u>
	<u>103,831</u>	<u>84,201</u>

Cash and cash equivalent includes cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

LAMBETH CIRCUIT METHODIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2020 (continued)

9. CREDITORS: Amounts falling due within one year

	2020	2019
Local Churches Assessments received in advance	0	3,000
Rents received in Advance	4,370	4,110
Due to other Methodist Circuit	27,262	21,873
Accruals and other Creditors	<u>20,893</u>	<u>14,854</u>
	<u>52,525</u>	<u>43,837</u>

Basic financial liabilities, including trade and other creditors, loans from third parties and loans from related parties 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. Such instruments are subsequently carried at amortised cost using the effective interest method, less any impairment.

10 FUNDS

10.1 RESTRICTED FUND

		2019
Balance Brought Forward 01/09/2019	7,061	7,061
Incoming Resources	71	0
Resources Expended	<u>0</u>	<u>0</u>
Balance Carried Forward 31/08/2020	<u>7,132</u>	<u>7,061</u>

10.2 DETAILED RESTRICTED FUNDS

				2020	2019
	Ministerial Training Fund	Circuit Benevolent Fund	Total	Ministerial Training Fund	Circuit Benevolent Fund
Balance Brought Fwd	3,985	3,076	7,061	3,985	3,076
Incoming Resources	47	24	71	0	0
Resources Expended	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Balance Carried Fwd	<u>4,032</u>	<u>3,100</u>	<u>7,132</u>	<u>3,985</u>	<u>3,076</u>

The Ministerial Training fund is set up to provide additional training to the Ministers in the Circuit.

The Benevolent Fund relates to money raised for the relief of poverty and distress in the Circuit.

10.3. UNRESTRICTED FUNDS

		2019
Balance Brought Forward 01/09/2019	5,656,637	5,815,742
Incoming Resources	270,728	222,564
Resources Expended	<u>-350,463</u>	<u>-381,669</u>
Balance Carried Forward 31/08/2020	<u>5,576,902</u>	<u>5,656,637</u>

LAMBETH CIRCUIT METHODIST CHURCH
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2020 (continued)

11 DETAILS OF CERTAIN ITEMS OF EXPENDITURE

	2,020	2019
Audit Fees	3,600	3600
Accountancy Charge	<u>1,440</u>	<u>3240</u>
	<u>5,040</u>	<u>6840</u>

12 PAID EMPLOYEES

Salaries and Wages	22,080	21444
Pension Contribution	1,325	1287
Employer National Insurance contributions	<u>1,860</u>	<u>1785</u>

	<u>25,265</u>	<u>24516</u>
Average Number of employees	1	1
No employee received emoluments in excess of £60,000 per annum.		

13. RELATED PARTY TRANSACTIONS
TRUSTEES REMUNERATIONS AND BENEFITS

All the Ministers serving in the Circuit are members of the Circuit Trustees

No trustee received any remuneration nor benefits

TRANSACTION WITH RELATED PARTIES

During the year, four Trustees received stipends in the sum of £114,698, (2019 - £1018,127), and expenses (relating to travel, telephone broadband and other costs) of £4,679 (2019 - £7,766).

There were no other related parties transactions for the year ended 31, August 2020

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

Although the Circuit pays the ministerial stipends, the Ministers are not employed by the Circuit. Ministers are employed by Conference, but it is the responsibility of the Circuit to pay them.

14. POST BALANCE SHEET EVENTS

There has been no post balance sheet event which could materially affect these financial statements

However, as a result of the Covid-19 pandemic, the churches attendance has gone down and the activities of the churches tenants have also been drastically reduced. Hence the churches' ability to pay their respective future circuit assessments, and the tenants' ability to meet their future rent payment obligations are in doubt.

LAMBETH CIRCUIT METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31, AUGUST 2020 (continued)

However the "going concern" of the circuit is not threatened, as the circuit has set up an interim Finance committee to monitor the finances of the individual churches to ensure that wherever possible, there is a sharing of resources amongst the churches. In the short term, the circuit intends to rely on its reserves with the TMCP to meet its immediate financial obligations.

15. RESERVE POLICY

A balance is retained in the general fund to meet unanticipated expenditure and programmed work that can not be funded from a single year's budget. It is the policy of the Circuit to hold reserves equivalent to a minimum of six month's expenditure

16. Volunteer Contribution

Every wing of the Methodist Church (Local Churches, Circuits, Districts, Connexion) in the United Kingdom is heavily reliant on volunteers who contribute their skills, time, money and their resources in the furtherance of the work of the church. Principally, this contribution is by serving on committees of the Circuit that deal with mission, manses, finance, policy, grants, training developments, etc etc.

The contribution of volunteers is not included within the income of the Circuit.

We are grateful to all of them for their help and commitments

17 Ministers' manse costs

The Circuit is required to provide accommodation for each Minister and his/her family. The Circuit bears the costs of repairs, maintenance, building insurance, Council Tax and water charges on the properties . These costs are not shown separately as benefit-in-kind for the Ministers as HMRC does not seek to tax these receipts in the hands of the Ministers. Similarly, these costs are not disclosed as related parties' transactions in these accounts.