

Reports & Financial Statements

For the year ended 31 August 2019

West London Mission Circuit - Circuit Fund

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West London Mission Circuit Fund

Officers and advisors

Trustees (members of the Circuit Meeting)

Peter Cornick (Chair)	Mary Hicks	Amy Tang
Tan Ailing	Kong Ching Hii	Sam Walker
Pei Ling Chay	Andrew Hoban	Rebecca Warren
Lai Kuin Cheong	Belinda Letby	Edna Wijeratna
Sallie Choate	Nick Novak	Danny Wong
Roger Cotterrell	Emerson Rizzi	Gerry Wong
James Cruddas	Christine Robson	Rayman Wong
David Cruise	Martin Single	Sherene Wong
Linda Gilson	Alethea Siow	William Wong
Val Halstead	Gordon Slater	Jongikaya Zihle
John Hicks		

Chief Executive Officer

Roger Clark

Central office

19 Thayer Street
London
W1U 2QJ

Auditors

Mazars LLP
6 Sutton Plaza
Sutton Court Road
Sutton
Surrey
SM1 4FS

Bankers

HSBC plc
90 Baker Street
London
W1U 6AX

Charity number

1133739

West London Mission Circuit Fund

Report of the Circuit Meeting

Chair's Introduction

I am delighted to welcome you to this annual report of the West London Mission.

With two city centre churches, Hinde Street and King's Cross, the West London Mission worships God and invites its members to be faithful followers of Jesus, guided by the Holy Spirit. A Christian organisation, it is rooted in the Methodist tradition and is a Circuit of the Methodist Church in Great Britain. It has been transforming lives, both in spiritual terms and in meeting social need, for over 130 years.

Each church offers hospitality to community groups, particularly 12 Step Groups, students and young adults, and through specific meetings, extends a welcome to people who may be homeless or isolated. Both churches participate in the winter night shelter provision for their London borough. Within the King's Cross site, a student hostel with a warden provides a safe and welcoming environment for young people, whilst at Hinde Street, two intentional Christian communities are formed by 11 young adults. The professional services run by WLM, provide quality advice, care, counselling and accommodation to people whose lives have been affected by homelessness, poverty and trauma. A Housing and Community Services Committee oversees the governance of the professional work.

During the last year, the CEO, Jon Kuhrt, was seconded to the MHCLG, to work on the government's target for reducing rough sleeping, with a focus on the faith communities. Roger Clark was appointed as interim CEO, and following an extensive search and selection process utilizing a recruitment agency, was appointed as permanent CEO in March.

We were also delighted to welcome Deacon Belinda Letby to the ministry team in September, following Rev Val Reid's move to Hitchin.

I commend this report to you, and ask that you would pray for the work which is carried out across the West London Mission, as we seek to uphold the values of the Methodist Church which combines prayer and worship with social concern and action.

Objectives and Activities

The West London Mission Circuit ("the Circuit") is part of the Methodist Church. It has two city-centre churches, at Hinde Street in Marylebone and at King's Cross, and two areas of mission which are priorities for the churches and the Circuit. Each of the churches engages in worship, learning and caring, service and evangelism in ways that reflect Methodist tradition and their distinctive identity, history and context.

The activities of the churches are the responsibility of their respective Church Councils, which administer their own funds, which are not accounted for in these statements. However, the Circuit is responsible for providing accommodation and paying the stipends and associated costs of the ministers stationed in the Circuit, and employing the lay workers that work in these churches.

The Circuit runs a wide range of housing and community services under the "WLM" label, for people affected by homelessness, poverty and trauma, employing circa 70 professional staff in seven different services across London. The Circuit also works with students and young adults, at Methodist Chaplaincy House (a student community at King's Cross) and in both churches. All this work is an expression of our historic roots and our inclusive Christian ethos.

The housing and community services are managed by the Circuit either directly or as agent for the West London Mission Housing Association Ltd (WLMHA). In the case of those services managed directly by the Circuit, these accounts include all their income, expenditure, assets and liabilities. In the case of services managed on behalf of WLMHA (which is a separate legal entity), the WLMHA accounts (which are available

West London Mission Circuit Fund Report of the Circuit Meeting (continued)

separately) include full details of their income, expenditure, assets and liabilities. By agreement with the Circuit, the net surplus or deficit of each service, and the expenses of running WLMHA itself, are passed to the Circuit and reflected in these accounts as a net sum. Details of the ongoing services are as follows.

Services managed directly by the Circuit:

WLM Seymour Place

This is situated at 134 – 136 Seymour Place, London W1. It provides night centre bed spaces, health, housing advice, and educational services for rough sleepers.

WLM Katherine Price Hughes House

This is situated at 28 Highbury Grove, London N5, in premises leased by the Circuit from WLMHA. It is an "approved premise" under the Criminal Justice and Courts Service Act 2000 and provides housing and support services for men released from custody on licence.

WLM Highbury Counselling Centre

This is also based at 28 Highbury Grove. It provides low cost counselling to the local community.

Services managed as agent for WLMHA:

WLM The Haven

This is located at 280 Holly Park, London N4. It provides specialist residential care for men with long term alcohol dependency.

WLM Burgess Park House (WLM Ex-Military Supported Housing)

This is situated at 56 Camberwell Road, London SE5. It provides supported housing for ex-service people who have experienced homelessness offering support in sustaining accommodation.

WLM Cherry Tree House (WLM Ex-Military Supported Housing)

This is situated at 343 Clapham Road, London SW9. It provides follow on accommodation for residents of Burgess Park House to move onto their own flat when ready for independent living.

WLM St Luke's Centre

This property is located at 25A Wincott Street, London, SE11 4NT. It is a service focussing on digital and financial inclusion for residents in Kennington as well as a 26 bedroom residential space developed in partnership with The Pret Foundation Trust for their 'Rising Stars' programme and for key workers.

Achievements and Future Policy

The mission of the Circuit's Housing and Community Services (operating under the WLM label) is to empower people affected by homelessness, poverty and trauma to make positive changes in their lives. The last year has involved significant developments in order to achieve this with WLM joining the Westminster Homeless Partnership and the London Homeless Collective, an initiative of the Evening Standard with 28 other organisations focused on ending homelessness.

As part of this new approach, WLM Seymour Place was refurbished from August 2019 to create a new and vibrant space for people sleeping rough in Westminster with funding from the Story of Christmas Charitable Trust and the Rose Foundation. We are very grateful for their support.

West London Mission Circuit Fund Report of the Circuit Meeting (continued)

With our commitment to further developing partnership in the year, WLM also launched 'Pret House at St Lukes' in partnership with the Pret Foundation Trust. This created 26 refurbished bedroom spaces in Kennington for the Pret Rising Stars programme and for key worker accommodation. This initiative was the first of its kind for Pret and has helped to support former homeless people not only to work in Pret stores around London but also to live in stable shared accommodation in order to sustain a life away from the streets.

WLM's commitment to volunteering continues with volunteers supporting our services and undertaking fundraising events for us. We are incredibly grateful for their support. In order to support our volunteers and staff, we have developed our Human Resources capacity in the year as we are committed to the personal development of the staff and volunteers in order to be in the best space to support those needing the services of WLM. This resulted in our reaccreditation in Investors in People.

WLM Services Review

WLM Highbury Counselling Centre (HCC)

HCC continues to develop and grow its services and supported 91 clients in 2018-19, 16 more than the year before. 3,358 sessions were offered to individuals through a group of 34 councillors. Relationships have been developed further in the borough to establish HCC as vital local provision for individuals affected by trauma. Agreement was reached in the year to source a new home for HCC as it has outgrown its current location as the service goes from strength to strength.

WLM Seymour Place (SP)

WLM Seymour Place delivered support to over 2000 different individuals in the year offering a range of support for people concerning their basic needs such as food, a shower or clothing, with 240 entering into some form of emergency temporary accommodation. Users could access health support through the dedicated nurse led homeless health team as well as optician and dental services. The building received a long overdue refurbishment to future proof its delivery to rough sleepers in Westminster with the establishment of a Night Centre for the winter at SP.

WLM Westminster Winter Night Shelter

The Westminster Winter Night Shelter supported 79 different individuals to come off the streets through the network of 13 churches, a synagogue and a mosque. WLM is incredibly grateful to our partner organisations who supported the Winter Night Shelter Network from 2010 to 2018 as in 2019 responsibility for coordinating the network was transferred to Westminster City Council in order that greater access to the bed spaces could be achieved.

WLM St Luke's

WLM St Luke's offered a range of support in the local area for individuals needing help with financial inclusion and digital access in Lambeth. Training was delivered to 493 different individuals through a range of workshops, one-to-one and group sessions on such themes as Energy Saving, IT for beginners, Confidence building, Universal Credit and Budgeting. 94% of participants that completed evaluations said that they had increased capacity to deal with money challenges and reduced worries about their finances. St Luke's developed the 'Communicate with Confidence' course in partnership with Morley College which equips people with the skills to be able to advocate for themselves calmly and clearly.

West London Mission Circuit Fund Report of the Circuit Meeting (continued)

WLM Ex-Military Supported Housing

Our Ex-Military Supported Housing Projects at WLM Burgess Park House (BPH) in Camberwell and WLM Cherry Tree House (CTH) in Clapham had a busy year supporting people who had left the armed forces. The service offered support through its 11 spaces at BPH and 6 at CTH. The team continue to work closely in partnership with the Royal British Legion, SSAFA and STOLL to provide a package of support to ensure the transition into civilian life can be as successful as possible for those we support.

WLM Katherine Price Hughes House (KPH)

WLM Katherine Price Hughes House (KPH) Highbury delivers an Approved Premises service for the Ministry of Justice in partnership with the National Probation Service. With 20 bedrooms for individuals coming out of prison the service has retained over 90% occupancy. In the past year the service has developed a number of local partnerships with risk assessed opportunities for residents to use a local gym and advice organisations undertaking in-reach into the service.

WLM The Haven

WLM The Haven continues to offer accommodation as a specialist care home for men with alcohol dependency. It has been a busy year with almost full occupancy at the service and the development of a number of initiatives following a very positive team away day including visits to Brighton, regular group activities and positive engagement with advice services.

WLM Fundraising

The fundraising team experienced a significant turnover in the year with 3 of the team moving on to new challenges in the voluntary sector. The team raised £606,011 for the year from a range of sources primarily from a range of individuals, charitable trusts and companies. WLM is incredibly grateful to all of our supporters and have been updating them regularly through our newsletters, social media channels and our website. We were particularly grateful to those who have undertaken challenge events in the year such as the Royal Parks Half Marathon and London to Paris cycle ride.

WLM Communications

In order to raise the profile of WLM, a collaboration with the advertising agency AMVBBDO has been developed which has included the development of the organisation's first strategic campaign 'Not Who They Are' which highlights that people affected by homelessness remain individuals - homeless is what they are, not who they are.

Other Circuit activities

Methodist Chaplaincy House at King's Cross continues to deliver a thriving student community, and the Intern programme which involves volunteering activities across the Circuit is a very positive programme. Miriam Kennedy is continuing to deliver and develop Community Work for Hinde Street focusing on young adults and the support of the Wednesday Club.

Financial Review

The financial statements for the year ended 31 August 2019 show a deficit of £540,000 on general funds before transferring £82,000 to the designated funds. This includes a capital write-off of £514,000 development costs for King's Cross. The balance on the general income reserve at 31 August 2019 was £93,000 (after

West London Mission Circuit Fund Report of the Circuit Meeting (continued)

transferring £58,000 from the capital reserve, as agreed by the Circuit Meeting to support the changes to central management under the Chief Executive) which the Circuit considers to be satisfactory and in line with its reserves policy.

The housing and community services are funded largely by accommodation charges, grants from statutory and other bodies, and fundraising for specific projects. Details can be found within the individual project accounts which are available separately. The Circuit made a specific contribution of £134,000 to this work from its investment income.

Ministerial and other costs relating to the local churches are funded by an assessment on the local congregations. The Circuit received grants from the Sarawak Chinese Annual Conference and the Pret Foundation Trust in respect of our Chinese presbyter, lay workers and the Hinde Street community worker. We also receive assistance from the Methodist Church in Hong Kong for our work with the Chinese congregation. The running costs of Methodist Chaplaincy House are met fully from accommodation charges.

Structure, Governance and Management

The following financial statements are those of the Circuit Fund of the Circuit. They are made by the Circuit Meeting which is, by the Standing Orders of the Methodist Church, “the principal meeting responsible for the affairs of the Circuit”, and the members of which are also, so far as of full age, the managing trustees of all the Model Trust property of the Circuit. Throughout the year under review all members of the meeting were of full age.

A Circuit is the unit of one or more local churches (in this case two) within the Methodist Church of Great Britain in which one or more ministers and probationers are stationed. Its operations are governed by the Methodist Church Act of 1976 (including the Model Trusts forming a schedule to it), the Deed of Union referred to in that Act and the Standing Orders of the Methodist Church (“Standing Orders”). The objects of any such Circuit are to further the purposes of the Methodist Church, and as part of the Methodist Church it is a charity. Under the Charities Act 2006, the Circuit, which like other Methodist trust bodies was previously exempt from registration, was required to register with the Charity Commission, and was registered with effect from 25 January 2010.

The capital money and other capital assets of the Circuit Fund, described in these financial statements, form a trust fund held in accordance with the Model Trusts of the Methodist Church (“the Model Trusts”). The assets, such as property and investments, are therefore held by the Trustees for Methodist Church Purposes (“TMCP”) as custodian trustee. The members of the Circuit Meeting, as managing trustees, exercise all the other powers of trustees, but subject to the terms of the Model Trusts and Standing Orders, which require the consent of district and connexional bodies for certain categories of transaction. The income of the fund, in addition to that arising from the capital assets, includes assessments on the local churches and grants from other Methodist bodies. The first charge on this income is the payment of ministerial stipends and the upkeep of manses.

Managing trustees and their appointment

The Circuit Treasurers and Treasurers of the Fund are the Circuit Stewards who during the period from 1 September 2018 to the date of this report were as stated below:-

William Wong
Rayman Wong
Alethea Siow
Amy Tang
Nick Novak

West London Mission Circuit Fund Report of the Circuit Meeting (continued)

The managing trustees of the Fund are all those members of the Circuit Meeting who are of full age. The membership of the Circuit Meeting comprises presbyters and deacons in the Circuit, representatives of the two local churches, and other persons appointed by the Meeting, all of whom must be members of the Methodist Church of Great Britain or another Methodist church. New trustees receive an induction when they join the board; trustee training is arranged for all trustees as and when required.

A full list of members of the Circuit Meeting is given on page 1.

Key management personnel and basis of remuneration

Key management personnel comprises the Superintendent Minister, Chief Executive Officer, Director of Operations, Head of Central Services and Head of Finance. The stipend of the Superintendent Minister is fixed annually by the Methodist Conference; in addition, the Circuit pays a local allowance, contributes to the Methodist Ministers' Pension Fund and provides a manse. Other staff salaries are fixed by reference to the NJC local government scale for comparable posts, and benchmarked from time to time against market comparables. The Circuit also contributes to a group personal pension scheme and provides life assurance cover.

Risk management

The trustees have identified the following as the most significant risks and uncertainties facing the Circuit as a whole:

1 Personnel

The Circuit relies heavily on the knowledge and expertise of lay volunteers, particularly in the areas of finance, property and the governance of the housing and community services. This risk has been managed by appointing qualified professionals to assume more of the responsibilities of management, enabling the lay members to exercise a governance role. The membership of the Housing and Community Services Committee has been broadened to include new members from outside the Circuit, to the extent permitted by Methodist Church regulations. The trustees will continue to look carefully at succession planning, and the use of professional staff.

2 Finance

The Circuit depends on its investments and rental income to sustain its work. This risk is managed by an investment sub-committee which receives guidance from the officers of the Central Finance Board, and which sets policy and monitors investment performance. Investments are readily marketable, and a minimum of £400,000 is held in cash to meet short term cash flow requirements.

The Circuit also depends critically on fundraising income to sustain the housing and community services, particularly Seymour Place. This risk has been managed by strengthening the capacity of the successful fundraising team.

3 Reputation

The Housing and Community Services Committee identified adverse publicity as a reputational risk which could arise through the failure of a project or inappropriate behaviour by individual staff members, and observed that any related legal action could be damaging to the Circuit as well as costly. This risk is managed by the Committee through regular reporting by senior management, and a clear framework of accountability including regular supervisions. External consultants are used where appropriate for legal, human resource and strategic advice. Safeguarding policies and practices are embedded across the Circuit, and health and safety compliance processes have been clarified.

The Circuit Meeting has resolved that all committees will review their risks and their management annually and report to the Circuit Stewards, by September 30 each year, for consideration at the next Circuit Meeting.

West London Mission Circuit Fund Report of the Circuit Meeting (continued)

Reserves policy

The policy of the Circuit is that there should be neither a surplus nor a deficit on the Circuit Fund's income reserve, taking one year with another. Its current practice is to place all income remaining after the payment of ministerial expenses, manses, the student work and other specific projects, at the disposal of WLM's housing and community services. The Donald Soper Fund is an independent fund whose sole objective is to support the social work of the Circuit. Any unbudgeted deficits on the housing and community services are funded by grants from the Donald Soper Fund, to be made good in later years. In the same way, any savings against budget are passed on to the Donald Soper Fund. The balance on the income reserve is maintained at the minimum level consistent with retaining the ability to absorb temporary deficits. The capital reserves of £17,717,000 represent properties in use for the purposes of the Circuit, and investments (including investment properties let for market rent) generating income upon which the Circuit depends to sustain its core activities.

Investment policy and performance against policy

The investments of the Circuit Fund are managed with the objective of maximising real, sustainable income over the long term. The funds are currently invested in a mixture of direct property investments, and equity, property and fixed income pooled funds which are all managed by the Central Finance Board of the Methodist Church, and regular guidance is received from the Board's Investment Manager. In pursuance of the above objective, part of the income of the Fund, other than from property-based and equity investments, is set aside and capitalised each year in an inflation reserve in order to preserve the real earning power of the Fund. The trustees monitor investment performance on an ongoing basis and are satisfied with the performance of the investment portfolio during 2019.

Grant making policy

The Circuit does not normally make grants to non-Methodist bodies.

Public Benefit

The charity's trustees have complied with the duty in the Charities Act 2011 to have due regard to Public Benefit guidance published by the Charities Commission. All trustees give their time voluntarily and receive no benefit from the charity.

Brexit

The trustees believe that the Circuit will not be affected by the UK's departure from the European Union, because all of its activities are within the UK, and any staff who are EU citizens will be able to continue working in the UK.

Coronavirus

The trustees have considered the impact on the Circuit of the COVID-19 coronavirus outbreak. A Business Continuity Plan was put into effect on 16 March 2020, with the objectives of focusing resources on the most vulnerable users of WLM services, and ensuring safe working for staff. As the situation continues to develop it is not possible to quantify the financial impact, but the trustees believe the Circuit's cash reserves will be sufficient to absorb the impact for at least twelve months from the date of the approval of these financial statements.

West London Mission Circuit Fund Report of the Circuit Meeting (continued)

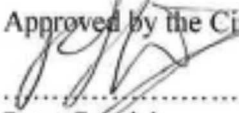
The Circuit Meeting's responsibilities

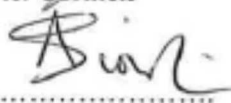
The Circuit Meeting is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Circuit as at the balance sheet date and of its income and expenditure, for the financial year. In preparing those financial statements, the Circuit Meeting is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
state whether applicable accounting standards and Statements of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Circuit will continue in operation.

The Circuit Meeting is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Circuit. It is 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.

Approved by the Circuit Meeting on 24 April 2020 and signed on its behalf by


.....
Peter Cornick


.....
Alethea Siow

Independent auditors' report to the members of West London Mission Circuit Fund

Opinion

We have audited the financial statements of West London Mission Circuit Fund (the 'charity') for the year ended 31 August 2019 which comprise the statement of financial activities, balance sheet and statement of cashflows 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2019 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Impact of the outbreak of COVID-19 on the financial statements

In forming our opinion on the charities financial statements, which is not modified, we draw your attention to the trustees' view on the impact of COVID-19 as disclosed on page 8, the consideration given in the going concern basis of preparation on page 16 and non-adjusting post balance sheet events on page 29.

Since the balance sheet date there has been a global pandemic from the outbreak of COVID-19, the impact of which became significant in March 2020 and is causing widespread disruption to normal patterns of business activity across the world, including the UK.

The full impact following the recent emergence of COVID-19 is still unknown. It is therefore not currently possible to evaluate all the potential implications to the charity's operations, beneficiaries and the wider economy.

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 charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Independent auditors' report to the members of West London Mission Circuit Fund

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Report of the Circuit Meeting, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Circuit Meeting.

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

- the information given in the financial statements is inconsistent in any material respect with the Report of the Circuit Meeting; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Circuit Meeting's responsibilities statement set out on page 9, 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 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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Independent auditors' report to the members of West London Mission Circuit Fund

Use of the audit report

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and regulations made or having effect thereunder. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK). Those standards require us to comply with the Financial Reporting Council's Ethical Standard. 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.

Mazars LLP

Signed:

Mazars LLP Chartered Accountants and Statutory Auditor

6 Sutton Plaza, Sutton Court Road, Sutton, SM1 4FS

Date: 7 May 2020

Mazars LLP 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.

West London Mission Circuit – Circuit Fund
Statement of financial activities
For the year ended 31 August 2019

	Notes	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2019 £'000	Total 2018 £'000 (Note 24)
Income						
Donations and legacies	3	4	20	-	24	3
Income from investments						
Investment income	4	411	-	-	411	436
Rental income	5	93	-	-	93	98
Income from charitable activities						
Housing and community services	6	166	-	1,626	1,792	1,551
Local ministry	6	150	8	66	224	231
King's Cross Chaplaincy House	6	129	-	-	129	131
Total income		<u>953</u>	<u>28</u>	<u>1,692</u>	<u>2,673</u>	<u>2,450</u>
Expenditure						
Expenditure on raising funds						
Investment management costs		23	-	-	23	21
Expenditure on charitable activities						
Local ministry		296	33	66	395	380
Housing and community services		386	16	1,617	2,019	1,763
King's Cross Chaplaincy House		135	5	-	140	128
Other expenditure		139	-	-	139	138
Kings Cross Redevelopment Write off		514	-	-	514	-
Total expenditure	7	<u>1,493</u>	<u>54</u>	<u>1,683</u>	<u>3,230</u>	<u>2,430</u>
Net (expenditure) income before transfers	17,18 19	<u>(540)</u>	<u>(26)</u>	<u>9</u>	<u>(557)</u>	<u>20</u>
Transfers between funds		(82)	82	-	-	-
Net (expenditure)/income for the year		<u>(622)</u>	<u>56</u>	<u>9</u>	<u>(557)</u>	<u>20</u>
Other recognised gains and losses						
Realised / unrealised (loss)/gain on investment assets	14	(84)	-	-	(84)	307
Revaluation of investment properties	11	200	-	-	200	1,105
Reduction in pension liability	9a	-	-	-	-	94
Net movements in funds		<u>(506)</u>	<u>56</u>	<u>9</u>	<u>(441)</u>	<u>1,526</u>
Fund balances at 1 September 2018	17,18 19	<u>18,316</u>	<u>651</u>	<u>-</u>	<u>18,967</u>	<u>17,441</u>
Fund balances at 31 August 2019	17,18 19,20	<u>17,810</u>	<u>707</u>	<u>9</u>	<u>18,526</u>	<u>18,967</u>

All the above amounts relate to continuing activities. There are no recognised gains or losses other than those included above.

West London Mission Circuit – Circuit Fund

Statement of Cash Flows for the year ended 31 August 2019

	2019 £'000	2019 £'000	2018 £'000	2018 £'000
Cash flows from operating activities				
Net (shortfall) / surplus	(441)		1,526	
Adjustments for:				
Depreciation	27		17	
Amortisation	5		9	
Loss/(gain) on investments	84		(307)	
Property loss in value	514		-	
Revaluation of investment properties	(200)		(1,105)	
Investment income	(411)		(436)	
Trade and other debtors	180		(88)	
Trade and other creditors	(163)		196	
Rental income	(93)		(98)	
	<hr/>		<hr/>	
Cash flows (used in) operating activities		(498)		(286)
Purchase of property plant and equipment	(62)		(50)	
Purchase of tangible and intangible fixed assets	(86)		(62)	
Repayment of concessionary loans	7		(1)	
Proceeds on disposal of investments	751		-	
Purchase of investments	-		(331)	
Investment income	411		436	
Rental income	93		98	
	<hr/>		<hr/>	
Cash flows generated from investing activities		1,114		90
		<hr/>		<hr/>
Net increase/(decrease) in cash		616		(196)
Cash balance at 1 September 2018		591		787
		<hr/>		<hr/>
Cash balance at 31 August 2019		1,207		591
		<hr/> <hr/>		<hr/> <hr/>

West London Mission Circuit – Circuit Fund

Notes to the financial statements For the year ended 31 August 2019

1 Accounting policies

1.1 Accounting convention

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) (effective 1 January 2015) - (Charities SORP (FRS 102)) and the Charities Act 2011.

West London Mission Circuit Fund meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

1.2 Basis of preparation

The financial statements include the income and expenditure of the West London Mission's housing and community services which include four continuing services, as set out in the Report of the Circuit Meeting on pages 2 and 3, for which the legal ownership rests with West London Mission Housing Association Limited. In respect of these services the Circuit acts as agent for the Housing Association and assumes financial responsibility for any deficit incurred. The trustees consider that it is appropriate for these financial statements to be prepared on the going concern basis given the surplus for the year and the level of reserves held. The impact of COVID19 is being monitored on an ongoing basis and appropriate contingency plans are in place.

In respect of services directly under the Circuit's control the income, expenditure, assets and liabilities of these services have been incorporated in these financial statements on a gross basis.

In respect of services under the control of West London Mission Housing Association Limited only the net cost of these services to the Circuit is included in these financial statements. These services are incorporated into the financial statements of the Housing Association on a gross basis.

In order to comply with the requirements of statutory and grant giving bodies all the services, whether controlled by the Circuit or the Housing Association, draw up individual and consolidated financial statements to 31 August annually. A complete breakdown of turnover, expenditure, grants and donations received can be found in those financial statements.

The Circuit is responsible for the management of Kings Cross Methodist Chaplaincy House. This project is under the control of the Circuit and is incorporated into these financial statements.

1.3 Investment income

This comprises gross interest and distributions from CFB Funds receivable by the Trustees for Methodist Church Purposes, Manchester, who act as custodian trustees. Income tax deductions and credits are recoverable by those Trustees by virtue of the Fund's charitable status. It also includes bank deposit interest.

1.4 Expenditure

Costs of charitable activities comprises services supplied and activities undertaken which are identifiable as wholly or mainly in support of the Circuit's objectives.

Those costs shown as Governance costs relate to the management of the Circuit's assets, organisational administration and compliance with constitutional and statutory requirements.

Where possible costs have been allocated directly to activities. Where costs relate to more than one activity these costs have been allocated across activities based on use of resources by each activity.

West London Mission Circuit – Circuit Fund

Notes to the financial statements For the year ended 31 August 2019

1 Accounting policies (continued)

1.5 Depreciation and amortisation

Individual items of office furniture and equipment (other than computer and telephone equipment – see below) costing less than £1,000 are charged to revenue. Depreciation/amortisation is provided on items costing more than £1,000 at rates calculated to write off their cost evenly over their expected useful lives.

The principal rates used are as follows:

Photocopiers	-	25% pa straight line
Computers & software	-	20% pa straight line
Telephones	-	25% pa reducing balance
Manse equipment	-	10-20% pa straight line

No depreciation is provided on freehold properties as the Circuit believes that both the depreciation charge for the year and the accumulated depreciation charge on these properties would be immaterial. The Circuit also ensures that the properties are kept in a good state of repair. Impairment reviews are undertaken on the properties and the Circuit believes that due to the high replacement cost and therefore value in use of the properties they should not be considered as impaired. Past experience shows that properties are disposed of at above book value.

Capital expenditure on leasehold properties is written off over the life of the lease.

1.6 Pension costs

Ordinary contributions payable are charged to the Statement of Financial Activities in the period to which they relate.

1.7 Profits/(losses) on sales of properties and investments

These are credited or charged to the capital reserve fund of the Circuit in the year in which they are realised.

1.8 Investments

Investments are included in the Balance Sheet at market value which gives rise to unrealised gains and losses which are included in the Statement of Financial Activities. Realised gains and losses arising on disposals of investments are separately identified in the Statement of Financial Activities.

1.9 Investment properties

Properties held for the purpose of generating income are considered to be investment properties; these are held at fair value. The value of the properties are regularly reviewed in order to identify any permanent impairment.

1.10 Concessionary loans

Loans made in pursuit of the Fund's charitable purposes are held within fixed assets and are stated at original cost and subsequently adjusted for any subsequent repayment or impairment.

West London Mission Circuit – Circuit Fund

Notes to the financial statements For the year ended 31 August 2019

1 Accounting policies (continued)

1.11 General funds – capital

Capital reserve fund

This represents monies set aside for capital projects allowed by the Methodist Church Act of 1976.

Inflation reserve

The Inflation reserve was established to preserve the real earning power of the Circuit's investments.

The income allocated to this reserve represents that part of the yield from the Circuit's investments which in the light of the movement in the official Retail Prices Index during the year, it is considered necessary to set aside, in order, as nearly as may be, to make good the capital value (in real terms) otherwise lost by inflation. The reserve is to be treated for all purposes as capital within the meaning and rules of the Model Trusts of the Methodist Church and subject to the consent of the Methodist Church Property Office, but retaining separate identity in the financial statements.

With effect from 1 September 2017, distributable investment income is calculated as 3.75% of the average closing market value of investments over the preceding seven years. The difference between this figure and the nominal income (after adjusting for inflation in accordance with the preceding paragraph) is met by a transfer from the capital reserve fund.

1.12 Designated funds

Designated funds are amounts set aside by the Circuit out of unrestricted funds for a particular purpose or project.

The Circuit has created the following designated funds:-

Dilapidations fund

The dilapidations fund represents amounts set aside in the housing and community services, Methodist Chaplaincy House and the Ministers' account for the future repair of buildings.

Development fund

The Development fund was established by the Circuit to allow for the future development of the work of the Circuit. The Circuit Meeting decided in January 2010 that legacies between £3,000 and £20,000, and the first £20,000 of larger legacies, would be credited to this fund.

1.13 Restricted funds

Restricted funds are those subject to external specific conditions.

Chinese Work

Contributions are received from the Chinese congregation at King's Cross and from other Methodist sources to support this ministry, and are used to meet the costs of the presbyter and his manse and part of the costs of the Chinese-speaking lay workers.

Hinde Street community work

A grant of £5,000 was received and has been used to cover part of the cost of this post.

Housing and community services

Grants and fees received for specific services or projects are treated as restricted income and used to cover all or part of the relevant costs.

West London Mission Circuit – Circuit Fund

Notes to the financial statements For the year ended 31 August 2019

2 Constitution

The terms on which the Circuit Fund assets are held are set out in the Report of the Circuit Meeting.

The managing trusteeship of 19 Thayer Street, 16 Hinde Street and 39 Marylebone Lane London W1, is shared between the Circuit and Hinde Street Methodist Church, according to the respective parts of the building occupied by them, and the management of the property is also shared by agreement between the two bodies. The same applies to the King's Cross Methodist Chapel and Methodist Chaplaincy House, Birkenhead Street, London WC1, which is shared between the Circuit and King's Cross Methodist Church.

3 Donations and legacies

	Total 2019 £'000	Total 2018 £'000
General donations and covenants	1	3
Legacies	23	-
	<u>24</u>	<u>3</u>

4 Investment income

	Total 2019 £'000	Total 2018 £'000
This comprises dividends and interest received gross on:		
Cash on deposit	2	2
CFB UK Equity fund units	249	259
CFB Property fund units	52	51
CFB Corporate Bond units	44	52
WLMHA Loan indexation	23	31
WLMHA Loan interest	41	41
	<u>411</u>	<u>436</u>
Allocated as follows:		
Capital reserve	(22)	32
Inflation reserve	32	28
Available for Circuit activities	401	376
	<u>411</u>	<u>436</u>

West London Mission Circuit – Circuit Fund

Notes to the financial statements For the year ended 31 August 2019

5 Investment property accounts

	2019	2018
	£'000	£'000
Rental income	120	139
Expenses	(27)	(41)
	<u>93</u>	<u>98</u>
Surplus for the year	<u><u>93</u></u>	<u><u>98</u></u>

6 Income from charitable activities

	Total	Total
	2019	2018
	£'000	£'000
Housing and community services		
Grant income of consolidated services	1,626	1,399
Charges to WLMHA for unconsolidated services	166	152
Grant from Donald Soper fund	-	-
	<u>1,792</u>	<u>1,551</u>
Local ministry		
Assessments on local churches	204	197
Chinese Presbyterian support	3	3
Student and young adult work	5	8
King's Cross Chinese-speaking lay workers grants	4	15
King's Cross Church contribution to dilapidations fund	8	8
	<u>224</u>	<u>231</u>
King's Cross Chaplaincy House	<u>129</u>	<u>131</u>
	<u><u>2,145</u></u>	<u><u>1,913</u></u>

The assessments on local churches were applied in meeting part of the cost of ministers, part of the cost of the offices at Thayer Street, and the cost of the District assessment.

West London Mission Circuit – Circuit Fund

Notes to the financial statements For the year ended 31 August 2019

7 Expenditure

	Hinde Street Church £'000	Kings Cross Church £'000	Community work £'000	Local Ministry Total £'000	Housing & Community Services £'000	Chaplaincy House £'000	Governance Costs £'000	Other costs and income £'000	Total 2019 £'000	Total 2018 £'000
Ministers and manses	82	81	-	163	16	11	-	29	219	218
Kings Cross Chinese speaking lay workers	-	47	-	47	-	-	-	-	47	45
Kings Cross Community Volunteers	-	12	-	12	-	-	-	-	12	5
District assessment	19	15	-	34	-	-	-	-	34	36
Central office costs	101	-	-	101	84	18	-	93	296	207
Hinde Street community work	-	-	38	38	-	-	-	-	38	36
Chaplaincy House costs	-	-	-	-	-	111	-	-	111	99
Housing and community services	-	-	-	-	2,088	-	-	-	2,088	1,704
Audit and accountancy	-	-	-	-	-	-	17	-	17	17
Net deficit/(surplus) of WLMHA services	-	-	-	-	(169)	-	-	-	(169)	42
King's Cross redevelopment write off	-	-	-	-	-	-	-	514	514	-
Total	202	155	38	395	2019	140	17	636	3,207	2,409
Investment management costs	-	-	-	-	-	-	-	23	23	21
Total expenditure	-	-	-	(395)	(2019)	(140)	(17)	(659)	(3,230)	(2,430)
Voluntary income	-	-	-	-	24	-	-	-	24	3
Investment income (see note 4)	-	-	-	171	203	11	17	9	411	436
Rental income (see note 5)	-	-	-	-	-	-	-	93	93	98
Income from charitable activities (see note 6)	-	-	-	224	1,792	129	-	-	2,145	1,913
Net (deficit)/surplus by activity	-	-	-	-	-	-	-	(557)	(557)	20

Where possible costs have been allocated directly to activities. Where costs relate to more than one activity these costs have been allocated across activities based on use of resources by each activity.

West London Mission Circuit – Circuit Fund

Notes to the financial statements For the year ended 31 August 2019

8 Net income/(costs) of housing and community services

Services incorporated on a gross basis	Katherine Price Hughes House £'000	Highbury Counselling Centre £'000	Seymour Place £'000	Fund-raising £'000	Central costs £'000	Total £'000
Income - external	923	121	579	-	3	1,626
Expenditure - external	(766)	(100)	(557)	(134)	(533)	(2,088)
Net surplus/(deficit) of services controlled by Circuit	<u>157</u>	<u>21</u>	<u>24</u>	<u>(134)</u>	<u>(530)</u>	<u>(462)</u>

Services incorporated on a net basis

	2019 £'000	2018 £'000
St Luke's	(12)	25
The Haven	52	(113)
Ex-military Supported Housing	8	27
Housing Association central net income	121	103
	<u>169</u>	<u>42</u>

9 Emoluments

9.1 Staff

	2019 £'000	2018 £'000
Staff costs (including agency costs)	1,413	1,261
National insurance	128	132
Pension contributions	134	124
	<u>1,675</u>	<u>1,517</u>
Average number of permanent staff during the year	<u>43</u>	<u>44</u>
Full time equivalent number of permanent staff during the year	<u>42</u>	<u>42</u>

West London Mission Circuit – Circuit Fund

Notes to the financial statements For the year ended 31 August 2019

9 Emoluments (continued)

In addition, a further 24 full time equivalent staff were employed in services controlled by WLMHA and are disclosed in those accounts.

One member of staff earned between £60,000 and £70,000 during the year ended 31 August 2019. No individual staff member earned more than £60,000 during the year ended 31 August 2018.

Key management personnel comprises the Superintendent Minister, Chief Executive Officer, Director of Operations, Head of Central Services and Head of Finance. The total employee benefits of the key management personnel of the charity were £276,537 (2018: £270,181).

None of the Treasurers of the Fund received any remuneration, nor reimbursement of expenses, directly from the Circuit during the year.

9a Pension costs

The Circuit makes payments to a group personal pension scheme for staff other than Presbyters and Deacons, of which the assets are held in an independently administered fund. Presbyters and Deacons are covered by the Methodist Ministers' Pension Scheme.

In the past the Circuit was a member of The Federated Flexiplan No.1 ("the Plan") which was a defined benefit pension scheme. During 2017/18 a full buyout of this scheme was completed and confirmation has been received that no further payments will be required from the Circuit. Therefore, the remaining accrual of £94,000 was released to the Capital Reserve Fund in 2017/18.

10 Freehold properties

	2019 £'000	2018 £'000
At 1 September 2018	2,820	2,770
Additions during the year	61	50
Property write off (abortive planning application)	(514)	-
	<hr/>	<hr/>
At 31 August 2019	2,367	2,820
	<hr/> <hr/>	<hr/> <hr/>
Represented by (all amounts relate to charitable activities) :		
	2019 £'000	2018 £'000
Circuit offices	394	394
Manses	1,452	1,452
Housing and Community Services property	481	481
King's Cross	40	493
	<hr/>	<hr/>
	2,367	2,820
	<hr/> <hr/>	<hr/> <hr/>

West London Mission Circuit – Circuit Fund

Notes to the financial statements For the year ended 31 August 2019

10 Freehold properties (continued)

From 2012 to 2019 the Circuit appointed architects and other professionals to develop a scheme for the demolition and complete redevelopment of the King's Cross site. These costs amounting in total to £514,000 were capitalised as work in progress on the new building. Regrettably, planning consent for the scheme was refused in June 2019 by the London Borough of Camden, and the Circuit has decided not to appeal against this decision. Consequently, these costs have been written off against the capital reserve fund. The Circuit is considering alternative proposals for the future of the site.

11 Investment property

	Total 2019 £'000
At 1 September 2018	3,285
Revaluation	200
	<hr/>
At 31 August 2019	3,485
	<hr/> <hr/>

The valuation of investment properties was reviewed as at 31 August 2019 by one of the trustees who is RICS qualified.

12 Concessionary loans

£877,919 (2018: £884,775) represents the balance outstanding under a loan to West London Mission Housing Association Limited for the purchase of The Haven in 2001. The loan is repayable in instalments commencing at £20,000 per annum, both principal and repayments being index linked. Interest is payable at 4.5%. £0 (2018: £0) of this loan is included within debtors as this falls due for repayment within 12 months.

£212,842 (2018: £212,842) represents an advance to West London Mission Housing Association Limited for the shortfall in funding of Burgess Park House in 2004. The Circuit has agreed not to demand repayment except to the extent of WLMHA's available cash. Interest is payable at the prevailing HSBC Bank rate.

West London Mission Circuit – Circuit Fund

Notes to the financial statements For the year ended 31 August 2019

13 Tangible & intangible fixed assets

	Fixtures and fittings £'000	Manse contents £'000	Total tangible fixed assets £'000	Intangible fixed assets £'000
Cost				
At 1 September 2018	143	50	193	30
Additions	69	-	69	17
	<u>212</u>	<u>50</u>	<u>262</u>	<u>47</u>
At 31 August 2019	212	50	262	47
Depreciation/amortisation				
At 1 September 2018	94	49	143	23
Charge for the year	26	1	27	5
	<u>120</u>	<u>50</u>	<u>170</u>	<u>28</u>
At 31 August 2019	120	50	170	28
Net book values				
31 August 2019	92	-	92	19
	<u>49</u>	<u>1</u>	<u>50</u>	<u>7</u>
31 August 2018	49	1	50	7

14 Investments

	2019 £'000	2018 £'000
Market value		
At 1 September 2018	11,059	10,421
Additions	-	331
Disposals	(751)	-
Realised and unrealised gains	(84)	307
	<u>10,224</u>	<u>11,059</u>
At 31 August 2019	10,224	11,059
The above total comprises:		
Units in CFB UK Equity fund	7,182	7,980
Units in CFB Corporate Bond fund	2,163	2,135
Units in CFB Property fund	878	943
Units in CFB Mixed Managed Fund	1	1
	<u>10,224</u>	<u>11,059</u>
Market value at 31 August 2019	<u>10,224</u>	<u>11,059</u>
Cost at 31 August 2019	<u>7,393</u>	<u>8,144</u>

West London Mission Circuit – Circuit Fund

Notes to the financial statements For the year ended 31 August 2019

15 Debtors

	2019 £'000	2018 £'000
Balances due from associated bodies (see note below)	491	420
Trade debtors	38	275
Other debtors	25	51
Prepayments	33	39
Accrued income	155	137
	<u>742</u>	<u>922</u>

“Associated bodies” are Hinde Street Methodist Church, King’s Cross Methodist Church, West London Mission Housing Association Limited, Donald Soper Fund and housing and community services controlled by the Housing Association. See note 22 for more details of related party transactions.

16a Creditors: Amounts falling due within one year

	2019 £'000	2018 £'000
Balances due to associated bodies (see note 15 above)	63	329
Trade creditors	90	92
Other creditors	277	141
Accruals	90	67
Deferred income	181	236
	<u>701</u>	<u>865</u>

17 General funds

	Capital reserve fund	Inflation reserve	Income funds	Total
Balance at 1 September 2018	17,210	949	157	18,316
Net surplus for the year	(18)	32	(40)	(26)
Unrealised gains on investment assets	(84)	-	-	(84)
Revaluation of investment properties	200	-	-	200
Transfer between funds	(58)	-	58	-
Property write off	(514)	-	-	(514)
Transfer to dilapidations reserve	-	-	(82)	(82)
	<u>16,736</u>	<u>981</u>	<u>93</u>	<u>17,810</u>

West London Mission Circuit – Circuit Fund

Notes to the financial statements For the year ended 31 August 2019

18 Designated funds

	Dilapidations fund £'000	Development fund £'000	Total £'000
Balance at 1 September 2018	651	-	651
Income	8	20	28
Expenditure	(54)	-	(54)
Transfer from general funds	82	-	82
	<u>687</u>	<u>20</u>	<u>707</u>
Balance at 31 August 2019	<u><u>687</u></u>	<u><u>20</u></u>	<u><u>707</u></u>

The dilapidations fund represents amounts set aside in the housing and community services, Methodist Chaplaincy House and the Ministers' account for the future repair of buildings.

The Development fund was established to allow for the future development of the work of the Circuit. The Circuit Meeting decided in January 2010 that legacies between £3,000 and £20,000, and the first £20,000 of larger legacies, would be credited to this fund.

19 Restricted funds

	Housing and community services £'000	Chinese Work £'000	Student and young adult work £'000	Total £'000
Balance at 1 September 2018	-	-	-	-
Restricted income in year	1,626	61	5	1,692
Restricted expenditure in year	(1,617)	(61)	(5)	(1,683)
	<u>9</u>	<u>-</u>	<u>-</u>	<u>9</u>
Balance at 31 August 2019	<u><u>9</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>9</u></u>

West London Mission Circuit – Circuit Fund

Notes to the financial statements For the year ended 31 August 2019

20 Analysis of net assets

	General funds £'000	Designated funds £'000	Restricted funds £'000	2019 £'000	2018 £'000
Fixed assets	3,568	-	-	3,568	3,975
Investment properties	3,485	-	-	3,485	3,285
Investments	9,508	707	9	10,224	11,059
Cash	390	-	-	390	241
Cash on deposit	818	-	-	818	350
Debtors	742	-	-	742	922
Current liabilities	(701)	-	-	(701)	(865)
Non-current liabilities	-	-	-	-	-
	<u>17,810</u>	<u>707</u>	<u>9</u>	<u>18,526</u>	<u>18,967</u>

Unrealised gain included above

On investment properties	3,012	-	-	3,012	3,012
On investments	2,830	-	-	2,830	2,914
	<u>5,842</u>	<u>-</u>	<u>-</u>	<u>5,842</u>	<u>5,926</u>

Reconciliation of movements in unrealised gains on investment assets

Balance at 1 September 2018				5,926	4,514
Gain arising on revaluations in the year				(84)	1,412
Balance at 31 August 2019				<u>5,842</u>	<u>5,926</u>

21 Contingent liability

At present there is an ongoing discussion with HMRC regarding the application of the national minimum wage requirements. At the present time the trustees do not believe that the Circuit will have any significant liability in respect of this.

West London Mission Circuit – Circuit Fund

Notes to the financial statements For the year ended 31 August 2019

22 Related party transactions

West London Mission Housing Association (including housing and community services controlled by the Housing Association), Kings Cross Methodist Church, Hinde Street Methodist Church and the Donald Soper Fund all have trustees in common with the Circuit Meeting and are therefore considered to be related parties. None of these organisations are considered to be under common control with the Circuit Fund as a minority of the Circuit Meeting members are trustees of any of these entities, and vice versa.

During the year, the Circuit undertook the following transactions with related parties:

Details	Value of transactions during year		Amount owed to/(by) WLM Circuit Fund	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
WLM Housing Association				
Housing Loans		-	1,091	1,098
Interest on Housing Loans	41	41	-	-
Indexation on Housing Loans	23	31	-	-
Administration charges	12	6	-	-
Project (surplus) grant	(169)	(32)	-	-
Creditor (dilapidations balances)	154	111	(112)	(162)
Trade debtors	381	72	381	72
Kings Cross Methodist Church				
Assessment	76	74	5	13
Contributions to Dilapidations Fund	8	8	-	-
Hinde Street Methodist Church				
Assessment	128	123	36	55
Donald Soper Fund				
Grant to Circuit Fund	-	-	(10)	(10)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

23 Post balance sheet events

Like every organisation in the UK, the Circuit is significantly impacted by the COVID-19 coronavirus outbreak. As the situation continues to develop it is not possible to quantify the financial impact, but the trustees believe the Circuit's cash reserves will be sufficient to absorb the impact for at least twelve months from the date of the approval of these financial statements.

West London Mission Circuit – Circuit Fund

Notes to the financial statements For the year ended 31 August 2019

24 Comparative Statement of Financial Activities

	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2018 £'000
Income				
Donations and legacies	3	-	-	3
Income from investments				
Investment income	436	-	-	436
Rental income	121	(23)	-	98
Income from charitable activities				
Social work	152	-	1,399	1,551
Local ministry	142	8	81	231
King's Cross Chaplaincy House	131	-	-	131
Total income	<u>985</u>	<u>(15)</u>	<u>1,480</u>	<u>2,450</u>
Expenditure				
Expenditure on raising funds				
Investment management costs	21	-	-	21
Expenditure on charitable activities				
Local ministry	266	33	81	380
Social work	364	-	1,399	1,763
King's Cross Chaplaincy House	122	6	-	128
Other expenditure	138	-	-	138
Total expenditure	<u>911</u>	<u>39</u>	<u>1,480</u>	<u>2,430</u>
Net income/(expenditure) before transfers	74	(54)	-	20
Transfers between funds	(66)	66	-	-
Net (expenditure)/income for the year	<u>8</u>	<u>12</u>	<u>-</u>	<u>20</u>
Other recognised gains and losses				
Realised / unrealised gain on investment assets	307	-	-	307
Revaluation of investment properties	1,105	-	-	1,105
Reduction in pension liability	94	-	-	94
Net movements in funds	<u>1,514</u>	<u>12</u>	<u>-</u>	<u>1,526</u>
Fund balances at 1 September 2017	<u>16,802</u>	<u>639</u>	<u>-</u>	<u>17,441</u>
Fund balances at 31 August 2018	<u>18,316</u>	<u>651</u>	<u>-</u>	<u>18,967</u>