

# Report & Financial Statements

For the year ended 31 August 2020

## **West London Mission Circuit - Circuit Fund**

### **Contents**

<b>Report of the Circuit Meeting</b>	<b>1 – 11</b>
<b>Independent auditors' report</b>	<b>12-14</b>
<b>Statement of financial activities</b>	<b>15</b>
<b>Balance sheet</b>	<b>16</b>
<b>Statement of Cash Flows</b>	<b>17</b>
<b>Notes to the financial statements</b>	<b>18 – 32</b>

# West London Mission Circuit - Circuit Fund

## Year ended 31 August 2020

---

### Officers and advisers

---

#### Trustees (members of the Circuit Meeting)

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

#### Chief Executive Officer

Roger Clark

#### Central office

19 Thayer Street  
London  
W1U 2QJ

#### Auditors

Moore Kingston Smith LLP  
Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

#### Bankers

HSBC plc  
90 Baker Street  
London  
W1U 6AX

#### Charity number

1133739

# West London Mission Circuit - Circuit Fund Year ended 31 August 2020

---

## Report of the Circuit Meeting

---

### Chair's Introduction

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

A Christian organisation, the West London Mission is rooted in the Methodist tradition and is part 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.

With two city centre churches, Hinde Street and King's Cross, and a student hostel, Methodist Chaplaincy House, the West London Mission worships God and invites its members to live as disciples of Jesus, guided by the Holy Spirit. This year, the COVID-19 pandemic has radically altered the way both churches worship and serve their community.

In March, both churches were in the midst of offering night shelter and day care provision for people sleeping rough. The churches, guided by the Superintendent Minister and the CEO, were swift to curtail these activities, before the wider lock-down, realising that congregant settings would accelerate the virus, particularly among vulnerable client groups. Worship immediately migrated online, and both churches have successfully grown their Sunday attendance and continued with midweek prayer and class meetings. Groups such as 'anonymous' meetings had to close, which we are aware has adversely affected many regular users. The churches have now begun to open up for groups supporting homeless people and 'anonymous' meetings, having put in place COVID-19 secure measures following thorough risk assessments. Hinde Street briefly opened for worship in the summer before the Tier 2 restrictions of the autumn, but King's Cross has not re-opened yet since March. The return of support groups is slow, and re-opening for worship is being kept constantly under review. The impact of COVID-19 on each church financially has been profound and the Circuit has subsidised much of the losses. The staff and students of Methodist Chaplaincy House have been highly motivated to maintain a safe environment, forming their own 'bubble'. To date, there have been no COVID cases in the hostel which, given the risk of such an establishment, reflects the rigorous restrictions imposed.

Through the WLM organisation, we offer professional services which empower positive change amongst people who present to our seven diverse services. Our client group is varied, with services catering for people who are homeless, suffering from addictions, who have recently been in prison, and supported accommodation for ex-military personnel. A community hub provides key worker accommodation as well as financial and digital resilience, and an affordable counselling service addresses a multitude of needs including poor mental health.

COVID-19 has profoundly affected the way each service works, with an initial emphasis on protecting the spaces from the virus by restricting access. This has developed into safely managing the inevitability of COVID cases in the services. There has been a heightened awareness of wellbeing amongst the staff and user groups as a result of the pandemic, and smarter ways of working have been developed which will remain. The Circuit has made substantial amounts of money available to WLM Services, to cover the costs associated with COVID. This might well be viewed as an unforeseen draw on resources, but in reality, it represents a significant investment in the wellbeing of both staff and service users.

In what has been an extraordinary year, I commend this report to you, and ask that you would pray for all 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.

# West London Mission Circuit - Circuit Fund

## Year ended 31 August 2020

---

### Report of the Circuit Meeting (continued)

---

#### 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 Services" label, for people affected by homelessness, poverty and trauma, employing 70 professional staff jointly with WLMHA, 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 WLM 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 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 Financial Statements 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. Following refurbishment the building is being developed as a community hub focusing on assisting rough sleepers into employment. The upper floors have been converted to offices for the WLM senior team.

##### **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 was also based at 28 Highbury Grove and is in the process of relocating to newly acquired premises at 12 Woodfall Road, London N4. 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.

## **West London Mission Circuit - Circuit Fund Year ended 31 August 2020**

---

### **Report of the Circuit Meeting (continued)**

---

#### **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 on to 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 Plans**

The mission of the Circuit's housing and community services (operating under the WLM Services label) is to empower people affected by homelessness, poverty and trauma to make positive changes in their lives.

The financial year 2019-20 has been two contrasting periods for the Circuit and WLM Services with the time from September 2019 until March 2020 focused on the new annual plan and continued improvement, development and quality of our services, and the time from March to August 2020 responding to the global pandemic.

Prior to March 2020 we had completed the partial refurbishment of the WLM Seymour Place building and were delivering services to people sleeping rough in Westminster. We had developed a comprehensive action plan for our registered care home, WLM the Haven following a Care Quality Commission inspection in August 2019. We had begun the process of searching for a new home for WLM Highbury Counselling Centre (HCC) and had firmly established Pret House at WLM St Luke's. We had undertaken improvements to the physical environments at both WLM Burgess Park House (BPH) and WLM Cherry Tree House (CTH). WLM Katherine Price Hughes (KPH) was operating at full capacity and planning its expansion with the impending move of HCC.

Since March 2020 our focus has been to keep our spaces, people who use our services and staff safe from COVID19. This required an incredible effort by everyone in WLM. A Business Continuity Plan (BCP) was written in the first weeks of March and launched on 16<sup>th</sup> of the month. The focus was limiting access to our spaces, ensuring staff could travel safely to work and an intensive cleaning regime throughout our sites. As part of the BCP a daily communication approach was developed to ensure that the WLM Services response to the pandemic was clear and centrally led on behalf of the Circuit. Online meetings were established swiftly and management and all staff updates were given daily.

## **West London Mission Circuit - Circuit Fund Year ended 31 August 2020**

---

### **Report of the Circuit Meeting (continued)**

---

The challenge to manage the impact of COVID19 at WLM has been a collective effort with comprehensive support from the Circuit for the services and the churches, however we are also very grateful for the support of funders during the pandemic including:

Barnett & Sylvia Shine Charitable Trust  
City Bridge Trust  
Crisis  
Derwent London  
Edward Harvist Trust  
French Huguenot Church of London Charitable Trust  
Greater London Authority  
Homeless Link  
Howard De Walden Estate  
Hyde Park Place Estates Charity  
LCP Group  
Ministry of Housing, Communities and Local Government  
Paddington Partnership  
Portman Foundation  
Rayne Foundation  
Ropes & Grey  
Rotary Club of St. Marylebone  
Royal Lancaster Hotel  
Tesco Bags of Life  
Vistex  
Westminster City Council  
Zendesk

Without their support we would not have been able to protect our spaces, people who use our services and staff. To the end of August we were able to ensure that no outbreaks of COVID19 occurred within our sites.

Despite all the challenges through the financial year 2019-20 WLM has continued to deliver support through our residential and community settings. In order to ensure momentum has not been lost due to the pandemic we have rolled out new systems including Inform, a cloud based information management system for the front line services, and iCompleat, an invoice management system. Below, we outline the different services and what they achieved in 2019-20.

#### **WLM Services Review**

##### **WLM Highbury Counselling Centre (HCC)**

HCC worked with an average of 105 people a week in 2019-20. The service moved online in March 2020 with the impact of the pandemic and the volunteer counsellors adapted brilliantly to the new way of working using Zoom to retain patients when face to face meeting no longer became possible. During 2019-20 the focus has also been on finding a new home for the service as it had outgrown the sharing arrangement with KPH. A new building in Finsbury Park was found in the summer of 2020 and a purchase was completed in autumn 2020 with the service looking to open in spring 2021 following the pandemic vaccination programme.

## **West London Mission Circuit - Circuit Fund Year ended 31 August 2020**

---

### **Report of the Circuit Meeting (continued)**

---

#### **WLM Seymour Place (SP)**

Following the refurbishment of WLM Seymour Place from September to December 2019, we launched a 15 bed Night Centre from the building in January 2020. The impact of COVID19 meant that communal settings presented too significant a risk. WLM took the decision in March to place those people using the Night Centre into local hotels so that they could have en-suite facilities. Through our membership of the Westminster Homeless Partnership and funding from Westminster City Council, WLM joined the 'Everyone In' initiative to support over 300 people in hotel settings. This initiative ran through the summer providing vital safe spaces for people sleeping rough in Westminster.

#### **WLM Asset Coaches**

In early 2020 we launched our partnership with May Day Trust to move the organisation towards an 'asset based' approach towards the people who use our services. Two new 'Asset Coaches' were recruited in March 2020 but due to the impact of COVID19 were not able to start with the organisation until September 2020. This new strengths-based philosophy will be the cornerstone of the WLM approach to service users, including a review of organisational structure and communication over the coming year and embedding the 'Asset Coach' offer for our residents and partners. We secured funding from MHCLG to deliver an Asset Based Winter Night Service operating from hotels until March 2021.

#### **WLM St Luke's**

WLM St Luke's continued in the first half of 2019-20 to offer a range of support in the local area for individuals needing help with financial inclusion and digital access in Lambeth. Training was delivered to 209 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. The Digibuddies programme had 468 attendees in total. A new contract with Lambeth Adult Learning was also secured to deliver online support. Key worker accommodation in St Luke's has been at almost full occupancy throughout the year and Pret House has retained 6 spaces following the impact of the pandemic on Pret a Manger and the Pret Foundation. We continue to be grateful for their partnership approach.

#### **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)**

KPH at 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 recorded over 90% occupancy until March 2020. The service worked closely with the National Probation Service and the Ministry of Justice to ensure that the space was safe and free from COVID19. Very sadly our much loved life skills sessional worker, Joyce Meggie, succumbed to the virus and will be very much missed by the service and a suitable memorial will be established in 2021. With the move of HCC out of the shared building, plans are now in place to expand KPH occupancy to the ground floor and dialogue is continuing with NPS for work to be undertaken in 2021.

#### **WLM The Haven**

WLM The Haven continues to offer accommodation as a specialist care home for men with alcohol dependency. A comprehensive review of the service was undertaken in 2019-20 following the CQC visit in August 2019, with new management and new protocols in place. The impact of the pandemic meant that in order to protect the space occupancy was reduced to 20 residents and a comprehensive system of control was

## **West London Mission Circuit - Circuit Fund Year ended 31 August 2020**

---

### **Report of the Circuit Meeting (continued)**

---

introduced to align with the initial lockdown in March-June 2020 as part of the BCP. Changes were also made to the physical environment with a separate medication room refurbished and individual offices created on the upper floor to enable COVID safe working within the space.

#### **WLM Fundraising**

The management of WLM Fundraising was outsourced to The Fundraising Studio in 2019-20 and a new Fundraising Administrator and Fundraising Community & Events Coordinator were recruited. The corporate fundraising engagement has also been delivered by an external consultant. The team delivered on the fundraising target for the year of over £600,000 and have recruited a new Trust & Foundations Manager for the new financial year.

#### **WLM Communications**

In order to raise the profile of WLM and reach a wider audience, a collaboration with the advertising agency AMVBBDO was developed which included the development of WLM's first strategic brand awareness campaign '**Not Who They Are**' which highlights that people affected by homelessness remain individuals - homeless is what they are, not who they are. The campaign was launched on 25<sup>th</sup> November 2019 and finished on 31<sup>st</sup> January 2020. The online and local press promotion was combined with a poster campaign targeting the Marylebone area within the Marylebone Underground Station, where it was visible to approximately 400,000 passengers. Social media and website use has increased significantly in the period with more than 1,300 website visits and around 900,000 social media views in total on all three main WLM social media accounts (Facebook, Twitter, Instagram). Following the impact of the pandemic, WLM has expanded its communication strategy to the Methodist press (Methodist Recorder newspaper and the Methodist Church's newsletters and website) and podcast to continue to raise the profile of WLM's work with people who use our services.

#### **WLM Faith and Spirituality**

The WLM Faith and Spirituality provision continued to focus during the first half of 2019-20 on offering appropriate chaplaincy and pastoral support through a regular programme of visiting and engagement with the frontline services by the Chaplain and chaplaincy volunteers. With the onset of the pandemic, this was adapted and moved online. In addition, a programme of wellbeing support for staff was initiated and delivered in partnership with the Human Resources department. This well-being approach has been invaluable to help with the psychological impact of COVID19.

#### **Other Circuit activities**

Methodist Chaplaincy House (MCH) continued to deliver a thriving student community during 2019-20 but as with all areas of the Circuit faced the challenge of the pandemic from March 2020 and formed a single household to manage the impact of lockdown.

Both Hinde Street Methodist Church and Kings Cross Church successfully moved to online worship during the pandemic and have been able to deliver limited COVID19 community focused programmes for local groups and through their food provision for people who are homeless.

### **Financial Review**

The financial statements for the year ended 31 August 2020 show a deficit of £570,000 on general funds before transferring £78,000 to the designated funds. The balance on the general income reserve at 31 August 2020 was £132,000 (after transferring £723,000 from the capital reserve, as agreed by the Circuit Meeting, to cover Covid-related losses in WLM services, the local churches and a shortfall in investment income) which the Circuit considers to be satisfactory and in line with its reserves policy.



## **West London Mission Circuit - Circuit Fund Year ended 31 August 2020**

---

### **Report of the Circuit Meeting (continued)**

---

The WLM services are funded largely by accommodation charges, grants from statutory and other bodies, and fundraising for specific projects. Details can be found within the WLM Services 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; these were partially waived in 2020 to support the churches in view of the loss of income caused by closure during the pandemic. 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 had been 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.

The Circuit Meeting has appointed committees with delegated functions, including the WLM Services Committee, the Property & Finance Committee, the Human Resources Committee and the Methodist Chaplaincy House Committee. All of these bodies report regularly to the Circuit Meeting.

### **Managing trustees and their appointment**

The Circuit Treasurers and Treasurers of the Fund under Standing Orders are the Circuit Stewards who during the period from 1 September 2019 to the date of this report were as stated below:-

William Wong  
Rayman Wong  
Alethea Siow  
Amy Tang  
Nick Novak

# West London Mission Circuit - Circuit Fund

## Year ended 31 August 2020

---

### 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 can be obtained from the Circuit offices at 19 Thayer Street, London W1U 2QJ.

### Key management personnel and basis of remuneration

Key management personnel comprises the Superintendent Minister, Chief Executive Officer, Deputy CEO, 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 (not including Covid-19 which is referred to below):

#### 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 WLM 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 WLM 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 WLM services. This risk has been managed by strengthening the capacity of the successful fundraising team.

#### 3 Reputation

The WLM Services Committee identified adverse publicity as a reputational risk which could arise through the failure of a project, and observed that any related legal action could be damaging to the Circuit as well as costly. This risk is managed 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 are in place.

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.

### 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

## **West London Mission Circuit - Circuit Fund Year ended 31 August 2020**

---

### **Report of the Circuit Meeting (continued)**

---

of ministerial expenses, manses, the student work and other specific projects, at the disposal of the WLM services.

The Donald Soper Fund is an independent fund whose sole objective is to support the WLM services. Any unbudgeted deficits on the services are funded by grants from the Donald Soper Fund, which are expected 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 Circuit's income reserve (£132,000 at the balance sheet date) is maintained at the minimum level (£100,000 to £150,000) consistent with retaining the ability to absorb temporary deficits. The capital reserves of £16,005,000 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 although both income and capital values have been adversely affected by the pandemic, they are satisfied with the performance of the investment portfolio during 2020.

### **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 (COVID-19)**

The trustees have considered the impact on the Circuit of the COVID-19 coronavirus pandemic. 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 ongoing financial impact, but the trustees believe the Circuit's cash and investments 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 Year ended 31 August 2020

---

## Report of the Circuit Meeting (continued)

---

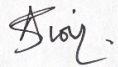

### The Circuit Meeting's responsibilities

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 23 February 2021 and signed on its behalf by

  
..... )  
Alethea Siow )  
  
..... ) Members of the Circuit Meeting  
Gordon Slater )

# West London Mission Circuit - Circuit Fund

## Year ended 31 August 2020

---

### Independent auditor's report to the members of West London Mission Circuit Fund

---

#### Opinion

We have audited the financial statements of West London Mission Circuit Fund for the year ended 31 August 2020 which comprise 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 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 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; 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.

#### 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.

#### 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. 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

## **West London Mission Circuit - Circuit Fund Year ended 31 August 2020**

---

on the work we have performed, we conclude that there is a material misstatement of this other information,

### **Independent auditor's report to the members of West London Mission Circuit Fund (continued)**

---

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 where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Circuit Meeting is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; 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 trustees**

As explained more fully in the Circuit Meeting's responsibilities statement set out on page 11], 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**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.

## West London Mission Circuit - Circuit Fund Year ended 31 August 2020

---

### Independent auditor's report to the members of West London Mission Circuit Fund (continued)

---

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. 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 any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

*Moore Kingston Smith LLP*

**Moore Kingston Smith LLP**  
Statutory auditor

Date: 9 April 2021  
Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

**West London Mission Circuit – Circuit Fund**  
**Statement of financial activities**  
**For the year ended 31 August 2020**

	Notes	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000 (Note 22)
<b>Income</b>						
Donations and legacies	3	50	20	-	70	24
<b>Income from investments</b>						
Investment income	4	295	-	-	295	411
Rental income	5	81	(4)	-	77	93
<b>Income from charitable activities</b>						
WLM services	6	374	-	1,657	2,031	1,792
Local ministry	6	69	-	56	125	224
King's Cross Chaplaincy House	6	118	-	-	118	129
<b>Total income</b>		<u>987</u>	<u>16</u>	<u>1,713</u>	<u>2,716</u>	<u>2,673</u>
<b>Expenditure</b>						
<b>Expenditure on raising funds</b>						
Investment management costs		22	-	-	22	23
WLM fundraising		229			229	211
<b>Expenditure on charitable activities</b>						
Local ministry		249	35	56	340	395
WLM services		728	59	1,637	2,424	1,808
King's Cross Chaplaincy House		155	9	-	164	140
Other expenditure		174	-	-	174	139
Kings Cross Redevelopment Write off		-	-	-	-	514
<b>Total expenditure</b>	7	<u>1,557</u>	<u>103</u>	<u>1,693</u>	<u>3,353</u>	<u>3,230</u>
<b>17,18</b>						
<b>Net income/(expenditure) before transfers</b>	<b>19</b>	<u>(570)</u>	<u>(87)</u>	<u>20</u>	<u>(637)</u>	<u>(557)</u>
Transfers between funds		(78)	78	-	-	-
<b>Net income for the year</b>		<u>(648)</u>	<u>(9)</u>	<u>20</u>	<u>(637)</u>	<u>(557)</u>
<b>Other recognised gains and losses</b>						
Realised / unrealised (loss)/gain on investment assets	14	(880)	-	-	(880)	(84)
Revaluation of investment properties	11	(145)	-	-	(145)	200
<b>Net movements in funds</b>		<u>(1,673)</u>	<u>(9)</u>	<u>20</u>	<u>(1,662)</u>	<u>(441)</u>
<b>17,18</b>						
Fund balances at 1 September 2019	<b>19</b>	<u>17,810</u>	<u>707</u>	<u>9</u>	<u>18,526</u>	<u>18,967</u>
Fund balances at 31 August 2020	<b>17,18</b> <b>19,20</b>	<u>16,137</u>	<u>698</u>	<u>29</u>	<u>16,864</u>	<u>18,526</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

### Balance sheet as at 31 August 2020

	Notes	2020 £'000	2019 £'000
<b>Fixed assets</b>			
Trust properties	10	2,371	2,367
Investment properties	11	3,340	3,485
Concessionary loans to West London Mission Housing Association Limited	12	1,065	1,091
Tangible fixed assets	13	82	92
Intangible fixed assets	13	26	19
Investments	14	9,244	10,224
		16,128	17,278
<b>Current assets</b>			
Debtors	15	827	742
Cash at bank and in hand		59	389
Cash on deposit		554	818
		1,440	1,949
<b>Creditors: Amounts falling due within one year</b>	16	(704)	(701)
<b>Net current assets</b>		736	1,248
<b>Creditors: Amounts falling due after more than one year</b>		-	-
<b>Net assets</b>		16,864	18,526
<b>Funds</b>			
General funds – capital	17	16,005	17,717
– income	17	132	93
		16,137	17,810
Designated funds	18	698	707
Restricted funds	19	29	9
		16,864	18,526

Approved by the Circuit Meeting on 23 February 2021 and signed on its behalf by

  
.....

Alethea Siow



Gordon Slater

)  
)  
)  
)  
)

Members of the Circuit Meeting

## West London Mission Circuit – Circuit Fund

### Statement of Cash Flows for the year ended 31 August 2020

	2020 £'000	2020 £'000	2019 £'000	2019 £'000
<b>Cash flows from operating activities</b>				
<b>Net (shortfall) / surplus</b>	<b>(1,662)</b>		<b>(441)</b>	
Adjustments for:				
Depreciation	29		27	
Amortisation	8		5	
Loss on investments	880		84	
King's Cross write off	-		514	
Revaluation of investment properties	145		(200)	
Investment income	(295)		(411)	
Trade and other debtors	159		180	
Trade and other creditors	(239)		(163)	
Rental income	(77)		(93)	
<b>Cash flows used in operating activities</b>		<b>(1,052)</b>		<b>(498)</b>
Purchase of property plant and equipment	(4)		(62)	
Purchase of tangible and intangible fixed assets	(36)		(86)	
Repayment of concessionary loans	26		7	
Proceeds on disposal of investments	100		751	
Investment income	295		411	
Rental income	77		93	
<b>Cash flows generated from investing activities</b>		<b>458</b>		<b>1,114</b>
<b>Net (decrease)/increase in cash</b>		<b>(594)</b>		<b>616</b>
<b>Cash balance at 1 September 2019</b>		<b>1,207</b>		<b>591</b>
<b>Cash balance at 31 August 2020</b>		<b>613</b>		<b>1,207</b>

# West London Mission Circuit – Circuit Fund

## Notes to the financial statements For the year ended 31 August 2020

---

### 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 (WLMHA). In respect of these services the Circuit acts as agent for WLMHA and assumes financial responsibility for any deficit incurred.

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements and has considered the potential impact of the Covid-19 pandemic. In particular the Trustees have taken account of pressures on donations and investment income and the likely impact of the pandemic on investment values, as well as expenditure. The Circuit has significant investments that can be drawn on if necessary to support expenditure.. After making enquiries the Trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

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 WLMHA, 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 WLMHA on a gross basis.

In order to comply with the requirements of statutory and grant giving bodies all the WLM services, whether controlled by the Circuit or the Housing Association, draw up a non statutory operating financial statement to 31 August annually, which gives a detailed analysis of income and expenditure and which are available from the Circuit office.

The Circuit is responsible for the management of King's 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

# West London Mission Circuit – Circuit Fund

## Notes to the financial statements For the year ended 31 August 2020

---

### Accounting policies (continued)

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.

### 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 2020

---

### 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 Council, 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 WLM 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. Restricted funds in the year comprised:

##### 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.

##### WLM 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 2020

---

### 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

	<b>Total 2020 £'000</b>	<b>Total 2019 £'000</b>
General donations and covenants	7	1
Legacies	63	23
	<u>70</u>	<u>24</u>

### 4 Investment income

	<b>Total 2020 £'000</b>	<b>Total 2019 £'000</b>
<b>This comprises dividends and interest received gross on:</b>		
Cash on deposit	5	2
CFB UK Equity Fund units	178	248
CFB Property Fund units	39	52
CFB Corporate Bond Fund units	27	44
WLMHA Loan indexation	5	23
WLMHA Loan interest	41	41
	<u>295</u>	<u>411</u>
Allocated as follows:		
Capital reserve	5	(22)
Inflation reserve	13	32
Available for Circuit activities	277	401
	<u>295</u>	<u>411</u>

## West London Mission Circuit – Circuit Fund

### Notes to the financial statements For the year ended 31 August 2020

---

#### 5 Investment property accounts

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Rental income	111	120
Expenses	(34)	(27)
	<hr/>	<hr/>
Surplus for the year	77	93
	<hr/> <hr/>	<hr/> <hr/>

#### 6 Income from charitable activities

	<b>Total</b>	<b>Total</b>
	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
<b>WLM services</b>		
Grant income of consolidated services	1,658	1,626
Charges to WLMHA for unconsolidated services	327	166
Grant from Donald Soper fund	47	-
	<hr/>	<hr/>
	2,031	1,792
<b>Local ministry</b>		
Assessments on local churches	107	204
Chinese Presbyter support	6	3
Student and young adult work	5	5
King's Cross Chinese-speaking lay workers grants	7	4
King's Cross Church contribution to dilapidations fund	-	8
	<hr/>	<hr/>
	125	223
<b>King's Cross Chaplaincy House</b>	118	129
	<hr/>	<hr/>
	2,274	2,145
	<hr/> <hr/>	<hr/> <hr/>

The assessments on local churches were applied in meeting part of the cost of ministers and lay workers, 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 2020

#### 7 Expenditure

	Hinde Street Church £'000	Kings Cross Church £'000	Community work £'000	Local Ministry Total £'000	WLM Services £'000	Chaplaincy House £'000	Governance Costs £'000	Other costs and income £'000	Total 2020 £'000	Total 2019 £'000
Ministers and manses	88	74	-	162	17	12	-	30	221	219
Kings Cross Chinese speaking lay workers	-	19	-	19	-	-	-	-	19	47
Kings Cross community interns	-	5	-	5	-	-	-	-	5	12
District assessment	24	15	-	39	-	-	-	-	39	34
Grant to London District for Covid support	-	-	-	-	-	-	-	25	25	-
Central office costs	84	-	-	84	78	30	-	101	293	296
Hinde Street community work	-	-	31	31	-	-	-	-	31	38
Chaplaincy House costs	-	-	-	-	-	122	-	-	122	111
WLM services	-	-	-	-	2,247	-	-	-	2,247	1,877
Audit and accountancy	-	-	-	-	-	-	18	-	18	17
Net deficit/(surplus) of WLMHA services	-	-	-	-	82	-	-	-	82	(169)
King's Cross redevelopment write off	-	-	-	-	-	-	-	-	-	514
<b>Total</b>	<b>196</b>	<b>113</b>	<b>31</b>	<b>340</b>	<b>2,424</b>	<b>164</b>	<b>18</b>	<b>156</b>	<b>3,102</b>	<b>2,996</b>
Costs of raising funds	-	-	-	-	229	-	-	22	251	234
<b>Total expenditure</b>	-	-	-	<b>(340)</b>	<b>(2,653)</b>	<b>(164)</b>	<b>(18)</b>	<b>(178)</b>	<b>(3,353)</b>	<b>(3,230)</b>
Voluntary income	-	-	-	-	-	-	-	70	70	24
Investment income (see note 4)	-	-	-	113	182	-	-	-	295	411
Rental income (see note 5)	-	-	-	-	-	-	-	77	77	93
Income from charitable activities (see note 6)	-	-	-	125	2,031	118	-	-	2,274	2,145
<b>Net surplus by activity</b>	-	-	-	<b>(102)</b>	<b>(440)</b>	<b>(46)</b>	<b>(18)</b>	<b>(31)</b>	<b>(637)</b>	<b>(557)</b>

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 2020

#### 8 Net income/(costs) of WLM 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	991	125	322	-	220	1,658
Expenditure - external	(828)	(120)	(277)	(229)	(1,022)	(2,476)
Net surplus/(deficit) of services controlled by Circuit	<u>163</u>	<u>5</u>	<u>45</u>	<u>(229)</u>	<u>(802)</u>	<u>(818)</u>

#### Services incorporated on a net basis

	2020 £'000	2019 £'000
St Luke's	(9)	(12)
The Haven	(146)	52
Ex-military Supported Housing	(45)	8
Housing Association central net income	118	121
Net (deficit)/surplus	<u>(82)</u>	<u>169</u>

#### 9 Emoluments

##### 9.1 Staff

	2020 £'000	2019 £'000
Staff costs (including agency costs)	1,366	1,413
National insurance	120	128
Pension contributions	119	134
	<u>1,605</u>	<u>1,675</u>

The above includes termination and redundancy payments of £44,607.

Average number of permanent staff during the year	<u>42</u>	<u>43</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 2020

---

### 9 Emoluments (continued)

Details of staff working in services managed on behalf of WLMHA are disclosed separately in the financial statements of WLMHA.

Two individual staff members earned more than £60,000 during this year.

Key management personnel comprises the Superintendent Minister, Chief Executive Officer, Deputy Chief Executive Officer, Head of Central Services and Head of Finance. The total employee benefits of the key management personnel of the charity were £291,687 (2019: £276,537).

None of the Treasurers of the Fund or other trustees 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.

### 10 Freehold properties

	2020 £'000	2019 £'000
At 1 September 2019	2,367	2,820
Additions during the year	4	61
Property write off (abortive planning application)	-	(514)
	<hr/>	<hr/>
At 31 August 2020	2,371	2,367
	<hr/> <hr/>	<hr/> <hr/>

Represented by (all amounts relate to charitable activities) :

	2020 £'000	2019 £'000
Circuit offices	394	394
Manses	1,452	1,452
WLM Services property	483	481
King's Cross	42	40
	<hr/>	<hr/>
	2,371	2,367
	<hr/> <hr/>	<hr/> <hr/>

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 decided not to appeal against this decision. Consequently, these costs were written off in 2019 against the capital reserve fund.

# West London Mission Circuit – Circuit Fund

## Notes to the financial statements For the year ended 31 August 2020

The Circuit is considering alternative proposals for the future of the site

### 11 Investment property

	<b>Total 2020 £'000</b>
At 1 September 2019	3,485
Revaluation	(145)
	<hr/>
At 31 August 2020	3,340
	<hr/> <hr/>

The valuation of investment properties was reviewed as at 31 August 2020 by one of the trustees who is RICS qualified.

### 12 Concessionary loans

£852,076 (2019: £877,919) 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 (2019: £0) of this loan is included within debtors as falling due for repayment within 12 months.

£212,842 (2019: £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.

### 13 Tangible & intangible fixed assets

	<b>Fixtures and fittings £'000</b>	<b>Manse contents £'000</b>	<b>Total tangible fixed assets £'000</b>	<b>Intangible fixed assets £'000</b>
<b>Cost</b>				
At 1 September 2019	212	50	262	46
Additions	20	-	20	16
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2020	232	50	282	62
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation/amortisation</b>				
At 1 September 2019	120	50	170	28
Charge for the year	29	-	29	8
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2020	149	50	199	36
	<hr/>	<hr/>	<hr/>	<hr/>

## West London Mission Circuit – Circuit Fund

### Notes to the financial statements For the year ended 31 August 2020

#### Net book values

31 August 2020	83	-	83	26
31 August 2019	92	-	92	19

#### 14 Investments

	<b>2020</b> <b>£'000</b>	<b>2019</b> <b>£'000</b>
<b>Market value</b>		
At 1 September 2019	10,224	11,059
Additions	-	-
Disposals	(100)	(751)
Realised and unrealised losses	(880)	(84)
At 31 August 2020	<u>9,244</u>	<u>10,224</u>
The above total comprises:		
Units in CFB UK Equity Fund	6,222	7,182
Units in CFB Corporate Bond Fund	2,189	2163
Units in CFB Property Fund	832	878
Units in CFB Mixed Managed Fund	1	1
<b>Market value at 31 August 2020</b>	<u><u>9,244</u></u>	<u><u>10,224</u></u>
Cost at 31 August 2020	<u><u>6,393</u></u>	<u><u>7,393</u></u>

#### 15 Debtors

	<b>2020</b> <b>£'000</b>	<b>2019</b> <b>£'000</b>
Balances due from associated bodies (see note below)	432	491
Trade debtors	246	38
Other debtors	29	25
Prepayments	42	33
Accrued income	78	155
	<u>827</u>	<u>742</u>

“Associated bodies” are Hinde Street Methodist Church, King’s Cross Methodist Church, West London Mission

## West London Mission Circuit – Circuit Fund

### Notes to the financial statements For the year ended 31 August 2020

Housing Association Limited, Donald Soper Fund and WLM services controlled by WLMHA. See note 22 for more details of related party transactions.

#### 16 Creditors: Amounts falling due within one year

	2020 £'000	2019 £'000
Balances due to associated bodies (see note 15 above)	185	63
Trade creditors	101	90
Other creditors	220	277
Accruals	46	90
Deferred income	152	181
	<u>704</u>	<u>701</u>

#### 17 General funds

	Capital reserve fund £'000	Inflation reserve £'000	Income funds £'000	Total £'000
Balance at 1 September 2019	16,736	981	93	17,810
Net surplus for the year	23	13	(606)	(570)
Unrealised gains on investment assets	(880)	-	-	(880)
Revaluation of investment properties	(145)	-	-	(145)
Transfer between funds	(723)	-	723	-
Transfer to dilapidations reserve	-	-	(78)	(78)
	<u>15,011</u>	<u>994</u>	<u>132</u>	<u>16,137</u>

The transfer between funds was made to cover Covid-related losses in WLM services, the local churches and a shortfall in investment income

#### 18 Designated funds

	Dilapidations fund £'000	Development fund £'000	Total £'000
Balance at 1 September 2019	687	20	707
Income	(4)	20	16
Expenditure	(103)	-	(103)
Transfer from general funds	78	-	78
	<u>658</u>	<u>40</u>	<u>698</u>

## West London Mission Circuit – Circuit Fund

### Notes to the financial statements For the year ended 31 August 2020

---

The dilapidations fund represents amounts set aside in the WLM 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. £10,000 has been committed for preliminary work on a new scheme for King's Cross; other uses of the Fund will depend on suitable opportunities but it is expected to be used within 5 years.

#### 19 Restricted funds

	<b>WLM services £'000</b>	<b>Chinese Work £'000</b>	<b>Hinde Street community work £'000</b>	<b>Total £'000</b>
Balance at 1 September 2019	9	-	-	9
Restricted income in year	1,657	51	5	1,713
Restricted expenditure in year	(1,637)	(51)	(5)	(1,693)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 August 2020	29	-	-	29
	<hr/>	<hr/>	<hr/>	<hr/>

## West London Mission Circuit – Circuit Fund

### Notes to the financial statements For the year ended 31 August 2020

#### 20 Analysis of net assets

	General funds £'000	Designated funds £'000	Restricted funds £'000	2020 £'000	2019 £'000
Fixed assets	3,544	-	-	3,544	3,568
Investment properties	3,340	-	-	3,340	3,485
Investments	8,517	698	29	9,244	10,224
Cash	59	-	-	59	390
Cash on deposit	554	-	-	554	818
Debtors	1,065	-	-	1,065	742
Current liabilities	(942)	-	-	(942)	(701)
	<u>16,137</u>	<u>698</u>	<u>29</u>	<u>16,864</u>	<u>18,526</u>
<b>Unrealised gain included above</b>					
On investment properties	2,867	-	-	2,867	3,012
On investments	2,034	-	-	2,034	2,830
	<u>4,901</u>	<u>-</u>	<u>-</u>	<u>4,901</u>	<u>5,842</u>
Reconciliation of movements in unrealised gains on investment assets					
Balance at 1 September 2019				5,926	4,514
Gain/(loss) arising on revaluations in the year				(1,025)	1,412
Balance at 31 August 2020				<u>4,901</u>	<u>5,926</u>

#### 21 Contingent liabilities

There are no identified contingent liabilities.

## West London Mission Circuit – Circuit Fund

### Notes to the financial statements For the year ended 31 August 2020

#### 22 Related party transactions

West London Mission Housing Association (WLMHA) (including WLM services controlled by WLMHA), King's 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	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
<b>WLMHA</b>				
Housing Loans	(26)	(7)	1,065	1,091
Interest on Housing Loans	41	41	-	-
Indexation on Housing Loans	5	23	-	-
Administration charges	-	12	-	-
Project deficit/(surplus) grant	82	(169)	-	-
Creditor (dilapidations balances)	(9)	5	(166)	(157)
Settlement accounts	€44)		399	443
<b>King's Cross Methodist Church</b>				
Assessment	42	76	2	5
Contributions to Dilapidations Fund	-	8	-	-
<b>Hinde Street Methodist Church</b>				
Assessment	65	128	14	36
<b>Donald Soper Fund</b>				
Grant to Circuit Fund	47	-	(2)	(10)



# West London Mission Circuit – Circuit Fund

## Notes to the financial statements For the year ended 31 August 2020

### 23 Comparative Statement of Financial Activities

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

## **West London Mission Circuit – Circuit Fund**

**Notes to the financial statements  
For the year ended 31 August 2020**

---