

Report & Financial Statements

For the year ended 31 August 2021

**West London Mission Circuit
- Circuit Fund**

Contents

Report of the Circuit Meeting	1 – 11
Independent auditors' report	12-15
Statement of financial activities	16
Balance sheet	17
Statement of Cash Flows	18
Notes to the financial statements	19 – 33

West London Mission Circuit - Circuit Fund

Year ended 31 August 2021

Officers and advisers

Trustees (members of the Circuit Meeting)

Peter Cornick (Chair)	Belinda Letby	Edna Wijeratna
Tessa Bennett	Emerson Rizzi	Gerry Wong
Pei Ling Chay	Margaret Rudland	Rayman Wong
Lai Kuin Cheong	Alethea Siow	William Wong
James Cruddas	Cathy Slater	Jongikaya Zihle
Mary Hicks	Gordon Slater	
Kong Ching Hii	Amy Tang	

Chief Executive Officer

Roger Clark

Central office

19 Thayer Street
London
W1U 2QJ

Auditors

Moore Kingston Smith LLP
9 Appold Street,
London,
EC2A 2AP

Bankers

HSBC plc
90 Baker Street
London
W1U 6AX

Charity number

1133739

West London Mission Circuit - Circuit Fund Year ended 31 August 2021

Report of the Circuit Meeting

Chair's Introduction

May I 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. Through its work, it aims to worship God, serve the community including challenging injustice, learn about Christian faith through meeting in small groups and care for one another through times of joy and sorrow. By sharing life in Christ in daily living, it is hoped that others will come to follow him.

We have two city centre churches, Hinde Street and King's Cross and a student hostel, Methodist Chaplaincy House. Together with the professionally run WLM Services, this forms the West London Mission.

During the year, COVID-19 restrictions have gradually lifted such that worship in our churches could start again and groups meeting in the buildings could re-commence. During the first three months of 2021, a further lockdown was enforced, but church buildings were able to remain open for worship and support groups such as '12 Step Groups.' Following the last lockdown which ended in April 2021, the recovery of worshippers, groups and rentals has increased, albeit slowly. During the pandemic, work and social patterns changed. So did worship. The increased use of online worship has been a benefit to many who cannot, or are still wary of, travel to the city centre. It has also sustained new worshipping communities. An unintended consequence is that there are fewer people in the church building to fulfil the necessary functions to open. Some congregations in the Mission are developing a greater online presence discovering it is a tool for mission, whilst others have found trying to offer a 'hybrid' experience of online and in-person worship too challenging.

At King's Cross, the Mandarin congregation has largely remained online. The Cantonese congregation has been augmented by the arrival of British Nationals Overseas (BNO) given leave to remain owing to the political conditions in Hong Kong. How this increase in numbers will affect King's Cross remains to be seen but is a new challenge to mission.

Both churches have begun a process of assessing growth plans to address financial and personnel resilience post pandemic and to engage with a vision for congregational growth. In the case of King's Cross, their vision impacts directly on the proposed re-development of the site.

The Deacon at King's Cross, Linda Gilson, moved at the end of this period, after successfully guiding the Methodist Chaplaincy House, International Service and outreach work. Her replacement is Deacon Tessa Bennett, a probationer minister. We are pleased that owing to the demanding nature of the Diaconal work at King's Cross, Probationer Deacon Tessa has a background in nursing and palliative care so brings experience and transferable skills.

The Rev Kong Ching Hii, the Presbyterian at King's Cross, was invited to extend his tenure for a further two years until August 2023.

The Superintendent, the Rev Peter Cornick, took his sabbatical from January to March 2021.

The year has been one of physical, spiritual and financial recovery, assessing a landscape which has undoubtedly changed. 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 2021

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 65 professional staff jointly with West London Mission Housing Association Ltd (WLMHA), in six continuing 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 Central Office.

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 since early 2022 has been based at newly acquired premises at 12 Woodfall Road, London N4. It provides low cost counselling to the local community.

West London Mission Circuit - Circuit Fund

Year ended 31 August 2021

Report of the Circuit Meeting (continued)

Services managed as agent for WLMHA:

WLM The Haven

This was located at 280 Holly Park, London N4. It provided specialist residential care for men with long term alcohol dependency. The service closed in September 2021.

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 (which ceased in early 2022) and for key workers.

Achievements and Future Plans

WLM Services is the Housing and Community Services arm of the West London Mission Circuit. Its mission is to empower people affected by homelessness, poverty and trauma to make positive changes in their lives.

The financial year 2020-21 saw the continuing impact of the global coronavirus pandemic, with further lockdowns occurring throughout the period meaning that WLM Services had to quickly adjust to the ever changing external environment. In particular focus was the management of communal settings and the challenges of ensuring that people using the services and people working for the organisation were able to get the opportunity to take up vaccinations. The organisation had to keep evaluating how to approach the changing restrictions and waves of COVID19 variants in the safest way possible.

During September 2020 to August 2021 our work with the partner organisations in the Westminster Homeless Partnership continued as part of the national response to reducing the numbers of people on the street during the pandemic. As part of this our Winter Spaces Coaching programme supported people living in temporary accommodation whilst they were working. Our Community Hubs at Seymour Place and St Luke's have been developing mixed strands of hosted and directly delivered services both online and face to face activities when able to in line with the restrictions such as our successful money matters programme.

Highbury Counselling Centre (HCC) delivered its low cost psychotherapy online throughout 2021 having found a new permanent home in Finsbury Park where refurbishment has taken place for a January 2022 opening. The service finished the year with over 120 different people receiving high quality counselling sessions. Katherine Price Hughes (KPH) House worked closely with the Probation Service to ensure provision continued throughout the pandemic despite the levels of transmission. With the move of HCC to their new home KPH has developed the space on its ground floor in order to expand from 20 to 23 bedrooms for residents.

West London Mission Circuit - Circuit Fund Year ended 31 August 2021

We continued our residential provision at St Luke's focusing on our partnership with the Pret Foundation and our key worker accommodation provision. During the year we have been continuing with a comprehensive programme of improvement works to the buildings portfolio with 'Asset Level Plans' created for each site to identify risks and compliance requirements and our aim is to create excellent environments for the people who use our services.

We decided to close our registered care home, The Haven, following working closely with the Care Quality Commission. This was a very difficult decision for the organisation but an important one in terms of focusing our resources and expertise. Looking forward a new three Year Strategy and Budget has been developed for the period 2022-25 which will see WLM Services focus on its Community, Counselling and Criminal Justice services and link this to a new Vision, Mission and Values for the organisation. The team are focusing on the continuation of the pandemic response as required and on the nature of its services in line with our commitment to be 'Asset' based where we focus on supporting individuals' strengths not their deficits.

Fundraising Report

Fundraised income supports both new and existing projects that transform people's lives. Our fundraising is carried out by a team of three fundraisers who seek grant funding from charitable trusts and foundations, encourage donations from the Methodist community, corporate partners, community groups, and raise funds through events and from individuals. The team work with the highest level of integrity and value every donation received.

Our donors and the people who use our services are at the heart of everything we do. We ensure that our supporters are treated with the care and attention they deserve, and that every donation or grant is spent on the project it was given for and in accordance with any restrictions placed upon it.

As the regulatory environment has continued to change, we have adapted and challenged the way we work to ensure we operate to a high standard. The General Data Protection Regulation (GDPR) came into effect in May 2018. To comply with GDPR, we reviewed all fundraising materials, consent options, and updated our consent and privacy statements.

The year has been challenging and whilst the team has managed to raise significant income, we have struggled to meet the targets we had hoped to exceed in events, corporate and charitable trusts grant income. This has largely been due to challenges relating to Covid where mass participation events have been cancelled, companies were largely working from home and money being earmarked for emergency Covid specific funding. We have also had less activity running at WLM which impacted on our grant income.

Every donation we receive is greatly appreciated and the support we have seen during this past difficult year has been truly exceptional. Supporters old and new have galvanised around WLM in response to the pandemic. We wish to say thank you to all of our supporters who made donations of their time and energy or gave financial support to WLM during 2020-21, including those who left us a special gift in their Will. We cannot mention every supporter by name, but a special mention must be given to 98-year-old Diana O'Flynn, the great granddaughter of our founder Katherine Price Hughes, who cycled in her living room for 80 days and raised an incredible £4,610. We also want to mention the Marylebone Music Festival team, who are at the heart of our community, for running our first post-Covid fundraising event.

Without the help of the following amazing organisations WLM would not have been able to continue its work in 2020-21.

- 29th May 1961 Charity

West London Mission Circuit - Circuit Fund Year ended 31 August 2021

- Advanced Accelerator Applications
- All Souls Langham Place
- Alma Jean Henry Charitable Trust
- BNP Paribas
- CareTech plc
- City Bridge Trust
- City of Westminster Charitable Trust
- David Lloyd Hampton Golf Club
- Derwent London
- Garfield Weston Foundation
- Hinde Street Methodist Church
- Homeless Link
- Housing Justice
- Hyde Park Place Estate Charity
- Inner London Magistrates Court Poor Box Charity & Feeder Charity
- Lane Clark & Peacock LLP
- Lewis Golden LLP
- Marylebone Music Festival
- National Lottery Awards for All
- Nationwide Foundation
- Ropes & Gray LLP
- St James's Piccadilly Charity
- St Marylebone Rotary Club
- St Matthew's, Bayswater
- The Albert Hunt Trust
- The Argyll Club
- The Arnold Clark Community Fund
- The Health Foundation
- The Paddington Partnership
- The Red Arrows Trust
- The Rose Foundation
- The Sisters of the Holy Cross Charitable Trust
- The South East Bayswater Residents' Association: SEBRA
- The Story of Christmas
- The Sydney Black Charitable Trust
- The Wyndham Charitable Trust
- Veterans' Foundation
- VMLY&R Commerce (formerly Geometry)
- Westminster Council – Hidden Network
- Wetherby Senior School
- Worshipful Company of Bowyers
- Zendesk

WLM is incredibly grateful for all the support received.

West London Mission Circuit - Circuit Fund Year ended 31 August 2021

Other Circuit activities

Methodist Chaplaincy House (MCH) continued to deliver a thriving student community but as with all areas 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 gradually reopened since May 2021 both for worship and community activities.

Financial Review

The financial statements for the year ended 31 August 2021 show a deficit of £1,510,000 on general funds before transferring £92,000 to the designated funds. The balance on the general income reserve at 31 August 2021 was £140,000 (after transferring £1,700,000 from the capital reserve, as agreed by the Circuit Meeting, to cover the impact of the pandemic on WLM services and a shortfall in investment income).

The WLM services are funded largely by accommodation charges, grants from statutory and other bodies, and fundraising for specific projects. The Circuit made a specific contribution of £100,000 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 in respect of our Chinese presbyter and lay workers. 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 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.

West London Mission Circuit - Circuit Fund Year ended 31 August 2021

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 2020 to the date of this report were as stated below:-

William Wong
Rayman Wong
Alethea Siow
Amy Tang
Nick Novak (to 28 February 2022)

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.

In addition to the trustees listed on page 1, the following also served as trustees for all or part of the year under review:

Sallie Choate, Roger Cotterrell, Linda Gilson, John Hicks, Andrew Hoban, Nick Novak, Christine Robson, Martin Single, Rebecca Warren, Danny Wong, Sherene Wong.

Key management personnel and basis of remuneration

Key management personnel comprises the Superintendent Minister, Chief Executive Officer and Deputy CEO. 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

West London Mission Circuit - Circuit Fund Year ended 31 August 2021

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 the end of September 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 any income remaining after the payment 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 (£140,000 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 £15,800,000 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 2020-21.

Grant making policy

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

West London Mission Circuit - Circuit Fund Year ended 31 August 2021

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.

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 have considered the lasting impact of the Covid-19 pandemic and the current cost of living crisis. In particular the Trustees have taken account of pressures on donations and investment income and the possible impact on investment values and 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.

West London Mission Circuit - Circuit Fund Year ended 31 August 2021

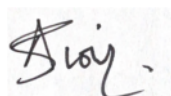
The Circuit Meeting's responsibilities

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 13 June 2022 and signed on its behalf by

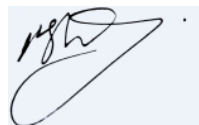


Alethea Siow

)

)

) Members of the Circuit Meeting



Peter Cornick

West London Mission Circuit - Circuit Fund

Year ended 31 August 2021

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 2021 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 2021, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or

West London Mission Circuit - Circuit Fund Year ended 31 August 2021

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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this

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

other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters 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 Trustees' 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.

West London Mission Circuit - Circuit Fund Year ended 31 August 2021

- 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.
- 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

West London Mission Circuit - Circuit Fund Year ended 31 August 2021

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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: 13 June 2022

9 Appold Street,
London,
EC2A 2AP

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 2021

	Notes	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000 (Note 23)
Income						
Donations and legacies	3	38	-	-	38	70
Income from investments						
Investment income	4	262	-	-	262	295
Rental income	5	143	(8)	-	135	77
Income from charitable activities						
WLM services	6	405	-	1,572	1,977	2,031
Local ministry	6	146	-	70	216	125
King's Cross Chaplaincy House	6	111	-	-	111	118
Total income		<u>1,105</u>	<u>(8)</u>	<u>1,642</u>	<u>2,739</u>	<u>2,716</u>
Expenditure						
Expenditure on raising funds						
Investment management costs		19	-	-	19	22
WLM fundraising		247			247	229
Expenditure on charitable activities						
Local ministry	7	201	49	70	320	340
WLM services	7	1,917	156	1,572	3,645	2,424
King's Cross Chaplaincy House	7	133	15	-	148	164
Other expenditure	7	98	22	-	120	174
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditure	7	<u>2,615</u>	<u>242</u>	<u>1,642</u>	<u>4,499</u>	<u>3,353</u>
	17,18					
Net income/(expenditure) before transfers	19	<u>(1,510)</u>	<u>(250)</u>	<u>-</u>	<u>(1,760)</u>	<u>(637)</u>
Transfers between funds		(92)	92	-	-	-
Net income for the year		<u>(1,602)</u>	<u>(158)</u>	<u>-</u>	<u>(1,760)</u>	<u>(637)</u>
Other recognised gains and losses						
Realised / unrealised (loss)/gain on investment assets	14	1,259	-	-	1,259	(880)
Revaluation of investment properties	11	145	-	-	145	(145)
Net movements in funds		<u>(198)</u>	<u>(158)</u>	<u>-</u>	<u>(356)</u>	<u>(1,662)</u>
	17,18					
Fund balances at 1 September 2020	19	<u>16,137</u>	<u>698</u>	<u>29</u>	<u>16,864</u>	<u>18,526</u>
	17,18					
Fund balances at 31 August 2021	19,20	<u>15,939</u>	<u>540</u>	<u>29</u>	<u>16,508</u>	<u>16,864</u>

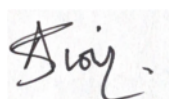
All the above amounts relate to continuing activities. There are no recognised gains or losses other than those included above.

West London Mission Circuit – Circuit Fund

Balance sheet as at 31 August 2021

	Notes	2021 £'000	2020 £'000
Fixed assets			
Trust properties	10	3,928	2,371
Investment properties	11	3,485	3,340
Concessionary loans to West London Mission Housing Association Limited	12	1,113	1,065
Tangible fixed assets	13	64	82
Intangible fixed assets	13	18	26
Investments	14	7,203	9,244
		15,811	16,128
Current assets			
Debtors	15	945	827
Cash at bank and in hand		105	59
Cash on deposit		623	554
		1,673	1,440
Creditors: Amounts falling due within one year	16	(974)	(704)
Net current assets		698	736
Creditors: Amounts falling due after more than one year		-	-
Net assets		16,509	16,864
Funds			
General funds – capital	17	15,800	16,005
– income	17	140	132
		15,940	16,137
Designated funds	18	540	698
Restricted funds	19	29	29
		16,509	16,864

Approved by the Circuit Meeting on 13 June 2022 and signed on its behalf by



Alethea Siow
Members of the Circuit Meeting



Peter Cornick

West London Mission Circuit – Circuit Fund

Statement of Cash Flows for the year ended 31 August 2021

	2021 £'000	2021 £'000	2020 £'000	2020 £'000
Cash flows from operating activities				
Net (shortfall) / surplus	(356)		(1,662)	
Adjustments for:				
Depreciation	29		29	
Amortisation	8		8	
(Gain)/Loss on investments	(1,259)		880	
Revaluation of investment properties	(145)		145	
Investment income	(262)		(295)	
Trade and other debtors	(118)		159	
Trade and other creditors	270		(239)	
Rental income	(135)		(77)	
	<hr/>		<hr/>	
Cash flows used in operating activities		(1,968)		(1,052)
Purchase of property plant and equipment	(10)		(4)	
Purchase of freehold property	(1,557)		-	
Purchase of tangible and intangible fixed assets	-		(36)	
(Increase)/Repayment of concessionary loans	(48)		26	
Proceeds on disposal of investments	3,300		100	
Investment income	262		295	
Rental income	135		77	
	<hr/>		<hr/>	
Cash flows generated from investing activities		2,082		458
		<hr/>		<hr/>
Net (decrease)/increase in cash		114		(594)
Cash balance at 1 September 2020		613		1,207
		<hr/>		<hr/>
Cash balance at 31 August 2021		728		613
		<hr/> <hr/>		<hr/> <hr/>

West London Mission Circuit – Circuit Fund

Notes to the financial statements For the year ended 31 August 2021

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), (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 three continuing services, as set out in the Report of the Circuit Meeting on pages 3 and 4, 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 have considered the lasting impact of the Covid-19 pandemic and the current cost of living crisis. In particular the Trustees have taken account of pressures on donations and investment income and the possible impact on investment values and 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.

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 2021

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 2021

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.

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.

2 Constitution

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

West London Mission Circuit – Circuit Fund

Notes to the financial statements For the year ended 31 August 2021

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 2021 £'000	Total 2020 £'000
General donations and covenants	4	7
Legacies	34	63
	<u>38</u>	<u>70</u>

4 Investment income

	Total 2021 £'000	Total 2020 £'000
This comprises dividends and interest received gross on:		
Cash on deposit	1	5
CFB UK Equity Fund units	131	178
CFB Property Fund units	30	39
CFB Corporate Bond Fund units	20	27
WLMHA Loan indexation	41	5
WLMHA Loan interest	39	41
	<u>262</u>	<u>295</u>
Allocated as follows:		
Capital reserve	41	5
Inflation reserve	17	13
Available for Circuit activities	204	277
	<u>262</u>	<u>295</u>

West London Mission Circuit – Circuit Fund

Notes to the financial statements For the year ended 31 August 2021

5 Investment property accounts

	2021	2020
	£'000	£'000
Rental income	143	111
Expenses	(8)	(34)
	<u>135</u>	<u>77</u>
Surplus for the year	<u><u>135</u></u>	<u><u>77</u></u>

6 Income from charitable activities

	Total	Total
	2021	2020
	£'000	£'000
WLM services		
Grant income of consolidated services	1,572	1,658
Charges to WLMHA for unconsolidated services	405	327
Grant from Donald Soper fund	-	47
	<u>1,977</u>	<u>2,031</u>
Local ministry		
Assessments on local churches	196	107
Chinese Presbyterian support	6	6
Student and young adult work	-	5
King's Cross Chinese-speaking lay workers grants	14	7
King's Cross Church contribution to dilapidations fund	-	-
	<u>216</u>	<u>125</u>
King's Cross Chaplaincy House	<u>111</u>	<u>118</u>
	<u><u>2,304</u></u>	<u><u>2,274</u></u>

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 2021

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 2021 £'000	Total 2020 £'000
Ministers and manses	90	93	-	183	17	12	-	31	243	221
Kings Cross Chinese speaking lay workers	-	-	-	-	-	-	-	-	-	19
Kings Cross community interns	-	7	-	7	-	-	-	-	7	5
District assessment	24	19	-	43	-	-	-	-	43	39
Grant to London District for Covid support	-	-	-	-	-	-	-	-	-	25
Central office costs	76	-	-	76	157	25	-	78	336	293
Hinde Street community work	-	-	11	11	-	-	-	-	11	31
Chaplaincy House costs	-	-	-	-	-	111	-	-	111	122
WLM services	-	-	-	-	2,532	-	-	-	2,532	2,247
Audit and accountancy	-	-	-	-	-	-	11	-	11	18
Net deficit/(surplus) of WLMHA services	-	-	-	-	939	-	-	-	939	82
Total	190	119	11	320	3,645	148	11	109	4,233	3,102
Costs of raising funds				-	247	-	-	19	266	251
Total expenditure				(320)	(3,892)	(148)	(11)	(128)	(4,499)	(3,353)
Voluntary income				38	-	-	-		38	70
Investment income (see note 4)				59	155	37	11		262	295
Rental income (see note 5)				7	-	-	-	128	135	77
Income from charitable activities (see note 6)				216	1,977	111	-	-	2,304	2,274
Net surplus by activity				-	(1,760)	-	-	-	(1,760)	(637)

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 2021

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	958	131	477	0	6	1,572
Expenditure - external	(937)	(140)	(250)	(247)	(1,205)	(2,779)
Net surplus/(deficit) of services controlled by Circuit	<u>21</u>	<u>(9)</u>	<u>227</u>	<u>(247)</u>	<u>(1,199)</u>	<u>(1,207)</u>

Services incorporated on a net basis

	2021 £'000	2020 £'000
St Luke's	(110)	(9)
The Haven	(821)	(146)
Ex-military Supported Housing	(48)	(45)
Housing Association central net income	40	118
Net (deficit)/surplus	<u>(939)</u>	<u>(82)</u>

9 Emoluments

9.1 Staff

	2021 £'000	2020 £'000
Staff costs (including agency costs)	1,165	1,366
National insurance	117	120
Pension contributions	111	119
	<u>1,393</u>	<u>1,605</u>

The above includes termination and redundancy payments of 2021: £48,545 (2020: £44,607).

Average number of permanent staff during the year	<u>45</u>	<u>42</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 2021

9 Emoluments (continued)

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

One individual staff member earned more than £60,000 during this year and one earned more than £70,000.

Key management personnel comprises the Superintendent Minister, Chief Executive Officer, and the Deputy Chief Executive Officer. The total employee benefits of the key management personnel of the charity were £168,852 (2020: £156,962).

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

	2021 £'000	2020 £'000
At 1 September 2020	2,371	2,367
Additions during the year	1,557	4
Revaluations	-	-
	<hr/>	<hr/>
At 31 August 2021	3,928	2,371
	<hr/> <hr/>	<hr/> <hr/>
Represented by (all amounts relate to charitable activities):		
	2021 £'000	2020 £'000
Circuit offices	394	394
Manses	1,452	1,452
WLM Services property	2,040	483
King's Cross	42	42
	<hr/>	<hr/>
	3,928	2,371
	<hr/> <hr/>	<hr/> <hr/>

West London Mission Circuit – Circuit Fund

Notes to the financial statements For the year ended 31 August 2021

11 Investment property

	Total 2021 £'000
At 1 September 2020	3,340
Revaluation	145
	<hr/>
At 31 August 2021	3,485
	<hr/> <hr/>

The valuation of investment properties was reviewed as at 31 August 2021 by a church member who is RICS qualified.

12 Concessionary loans

£899,251 (2020: £852,076) 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 (2020: £0) of this loan is included within debtors as falling due for repayment within 12 months.

£213,906 (2020: £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

	Fixtures and fittings £'000	Manse contents £'000	Total tangible fixed assets £'000	Intangible fixed assets £'000
Cost				
At 1 September 2020	232	50	282	62
Additions	10	-	10	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2021	242	50	292	62
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation/amortisation				
At 1 September 2020	149	50	199	36
Charge for the year	29	-	29	8
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2021	178	50	228	44
	<hr/>	<hr/>	<hr/>	<hr/>
Net book values				
31 August 2021	64	-	64	18
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
31 August 2020	83	-	83	26
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

West London Mission Circuit – Circuit Fund

Notes to the financial statements For the year ended 31 August 2021

14 Investments

	2021	2020
	£'000	£'000
Market value		
At 1 September 2020	9,244	10,224
Additions	-	-
Disposals	(3,300)	(100)
Realised and unrealised losses	1,259	(880)
	<hr/>	<hr/>
At 31 August 2021	7,203	9,244
	<hr/> <hr/>	<hr/> <hr/>
The above total comprises:		
Units in CFB UK Equity Fund	5,085	6,222
Units in CFB Corporate Bond Fund	1,502	2,189
Units in CFB Property Fund	616	832
Units in CFB Mixed Managed Fund	-	1
	<hr/>	<hr/>
Market value at 31 August 2021	7,203	9,244
	<hr/> <hr/>	<hr/> <hr/>
Cost at 31 August 2020	3,993	6,393
	<hr/> <hr/>	<hr/> <hr/>

15 Debtors

	2021	2020
	£'000	£'000
Balances due from associated bodies (see note below)	647	432
Trade debtors	210	246
Other debtors	2	29
Prepayments	45	42
Accrued income	41	78
	<hr/>	<hr/>
	945	827
	<hr/> <hr/>	<hr/> <hr/>

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

West London Mission Circuit – Circuit Fund

Notes to the financial statements For the year ended 31 August 2021

16 Creditors: Amounts falling due within one year

	2021 £'000	2020 £'000
Balances due to associated bodies (see note 15 above)	509	185
Trade creditors	128	101
Other creditors	114	174
Other taxes and social security	39	46
Accruals	79	46
Deferred income	105	152
	<u>974</u>	<u>704</u>

17 General funds

	Capital reserve fund £'000	Inflation reserve £'000	Income funds £'000	Total £'000
Balance at 1 September 2020	15,011	994	132	16,137
Net surplus for the year	74	17	(1,600)	(1,510)
Unrealised gains on investment assets	1,259	-	-	1,259
Revaluation of investment properties	145	-	-	145
Transfer between funds	(1,700)	-	1,700	-
Transfer to dilapidations reserve	-	-	(92)	(92)
	<u>14,789</u>	<u>1,011</u>	<u>140</u>	<u>15,940</u>

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

18 Designated funds

	Dilapidations fund £'000	Development fund £'000	Total £'000
Balance at 1 September 2020	658	40	698
Income	-	-	-
Expenditure	(228)	(22)	(250)
Transfer from general funds	92	-	92
	<u>522</u>	<u>18</u>	<u>540</u>

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

West London Mission Circuit – Circuit Fund

Notes to the financial statements For the year ended 31 August 2021

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. £6,000 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

	WLM services £'000	Chinese Work £'000	Total £'000
Balance at 1 September 2020	29	-	29
Restricted income in year	1,572	70	1,642
Restricted expenditure in year	(1,572)	(70)	(1,642)
	<hr/>	<hr/>	<hr/>
Balance at 31 August 2021	29	-	29
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

West London Mission Circuit – Circuit Fund

Notes to the financial statements For the year ended 31 August 2021

20 Analysis of net assets

	General funds £'000	Designated funds £'000	Restricted funds £'000	2021 £'000	2020 £'000
Fixed assets	4,010	-	-	4,010	2,479
Investment properties	3,485	-	-	3,485	3,340
Investments	6,634	540	29	7,203	9,244
Cash	105	-	-	105	59
Cash on deposit	623	-	-	623	554
Capital Loans to WLMHA	1,113	-	-	1,113	1,065
Debtors	945	-	-	945	827
Current liabilities	(974)	-	-	(974)	(704)
	<u>15,941</u>	<u>540</u>	<u>29</u>	<u>16,509</u>	<u>16,864</u>
Unrealised gain included above					
On investment properties	3,012	-	-	3,012	2,867
On investments	3,293	-	-	3,293	2,034
	<u>6,305</u>	<u>-</u>	<u>-</u>	<u>6,305</u>	<u>4,901</u>
Reconciliation of movements in unrealised gains on investment assets					
Balance at 1 September 2020				4,901	5,926
Gain/(loss) arising on revaluations in the year				1,404	(1,025)
Balance at 31 August 2021				<u>6,305</u>	<u>4,901</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 2021

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	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
WLMHA				
Housing Loans	48	26	1,113	1,065
Interest on Housing Loans	39	40	-	-
Indexation on Housing Loans	41	5	-	-
Administration charges	-	-	-	-
Project deficit/(surplus) grant	939	82	-	-
Creditor (dilapidations balances)	(23)	(9)	(189)	(166)
Settlement accounts	-	(44)	350	399
King's Cross Methodist Church				
Assessment	74	42	2	2
Contributions to Dilapidations Fund	-	-	-	-
Hinde Street Methodist Church				
Assessment	122	65	23	14
Donald Soper Fund				
Grant to Circuit Fund	-	47	(2)	(2)

West London Mission Circuit – Circuit Fund

Notes to the financial statements For the year ended 31 August 2021

23 Comparative Statement of Financial Activities

	Notes	General funds £'000	Designated funds £'000	Restricted funds £'000	Total 2020 £'000
Income					
Donations and legacies	3	50	20	-	70
Income from investments					
Investment income	4	295	-	-	295
Rental income	5	81	(4)	-	77
Income from charitable activities					
Housing and community services	6	374	-	1,657	2,031
Local ministry	6	69	-	56	125
King's Cross Chaplaincy House	6	118	-	-	118
Total income		<u>987</u>	<u>16</u>	<u>1,713</u>	<u>2,716</u>
Expenditure					
Expenditure on raising funds					
Investment management costs		22	-	-	22
WLM fundraising		229	-	-	229
Expenditure on charitable activities					
Local ministry		249	35	56	340
Housing and community services		728	59	1,637	2,424
King's Cross Chaplaincy House		155	9	-	164
Other expenditure		174	-	-	174
Kings Cross Redevelopment Write off		-	-	-	-
Total expenditure	7	<u>1,557</u>	<u>103</u>	<u>1,693</u>	<u>3,353</u>
Net income/(expenditure) before transfers	17,1819	<u>(570)</u>	<u>(87)</u>	<u>20</u>	<u>(637)</u>
Transfers between funds		(78)	78	-	-
Net income for the year		<u>(648)</u>	<u>(9)</u>	<u>20</u>	<u>(637)</u>
Other recognised gains and losses					
Realised / unrealised (loss)/gain on investment assets	14	(880)	-	-	(880)
Revaluation of investment properties	11	(145)	-	-	(145)
Reduction in pension liability	9a	-	-	-	-
Net movements in funds		<u>(1,673)</u>	<u>(9)</u>	<u>20</u>	<u>(1,662)</u>
Fund balances at 1 September 2019	17,18 19	<u>17,810</u>	<u>707</u>	<u>9</u>	<u>18,526</u>
Fund balances at 31 August 2020	17,1819,20	<u>16,137</u>	<u>698</u>	<u>29</u>	<u>16,864</u>