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Registered charity no 1132208

Dear Audit Engagement Partner of the Methodist Church in Great Britain

AUDIT OF FINANCIAL STATEMENTS – 31 AUGUST 2023

This representation letter is provided in connection with your audit of the financial statements of the Methodist Church in Great Britain for the year ended 31 August 2023 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view, in accordance with the applicable financial reporting framework. The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Generally Accepted Accounting Practice.

We confirm that to the best of our knowledge and belief, and having made appropriate enquiries of other Trustees and officials of the charity and other entities included in the group financial statements:

Financial Statements

1. We acknowledge and have fulfilled our responsibilities, as set out in the terms of the audit engagement dated 26 April 2023, for ensuring that the charity and group maintains adequate accounting records and for the preparation and presentation of the financial statements in accordance with the applicable financial reporting framework, in particular the financial statements give a true and fair view in accordance therewith.
2. We confirm that the methods, significant assumptions and the data used in making accounting estimates and the related disclosures are appropriate in the context of the applicable financial reporting framework.
3. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the applicable financial reporting framework. In particular, full disclosure is made in the financial statements of:
 - a. any advances and credits granted by the charity to trustees and guarantees of any kind entered into on behalf of the trustees;
 - b. the identity of the party which controls and (if different) the party which ultimately controls the charity, if any;
 - c. transactions and balances with related parties including:
 - the names of the transacting parties;
 - the nature of the related party relationship;
 - a description of the transactions;
 - the amount of the transactions;
 - the amount of outstanding balances and:
 - their terms and conditions, including whether they are secured, and the nature of the consideration to be provided in settlement; and
 - details of any guarantees given or received;
 - provisions for uncollectible receivables related to the amount of outstanding balances;
 - the expense recognised during the period in respect of bad or doubtful debts due from related parties; and
 - any other information about the transactions, outstanding balances and commitments necessary for an understanding of the potential effect of the relationship on the financial statements.



- d. key management personnel compensation.
4. Full disclosure is made in the financial statements of:
 - a. outstanding capital commitments contracted for at the balance sheet date;
 - b. all contingent liabilities including details of pending litigation and material claims against the charity and group;
 - c. all guarantees or warranties or other financial commitments including those given to or on behalf of other group entities.
5. We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.
6. There have been no events or conditions (e.g. loss or reduction of source of income, loss of key customer, supplier or member of staff, change in credit terms offered by suppliers, breaches of bank or other covenants, changes in banking or insurance arrangements or facilities) other than those already advised to you since the balance sheet date that would impact on the ability of the charity and group to continue as a going concern. Should such events or conditions occur prior to your signature of the audit report we will advise you immediately. Except as already incorporated into our cash flow and profit forecasts we have no plans or intentions that would impact on the ability of the charity and group to continue as a going concern.
7. With regards to our going concern assessment, we confirm that we do not currently intend to change the nature, scale or focus of our operations due to the nature of both our funding and our activities which we anticipate will be relatively unaffected by the recession.
8. We confirm that our going concern assessment covers the period of at least 12 months from the date of signing of the financial statements.
9. All events occurring subsequent to the date of the financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed. Should such further material events occur prior to your signature of the audit report we will advise you accordingly.
10. The effects of uncorrected misstatements (whether arising from differences in amount, classification, presentation or disclosure of a reported financial statement item and the amount, classification, presentation or disclosure that is required for the item to be in accordance with the applicable financial reporting framework) are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements including those in relation to disclosures is attached to this representation letter.
11. All charities, companies and trusts controlled by the charity have been consolidated in the group financial statements.
12. All designated and restricted fund balances are correctly shown in the accounts.

Information Provided

1. As agreed in the terms of engagement, we have provided you with:
 - a. Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters including minutes of those charged with Governance meetings and committees of those charged with Governance held between the beginning of the accounting period and the date of this letter;
 - b. Additional information that you have requested from us for the purpose of the audit; and
 - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.



2. We confirm that all transactions have been recorded in the accounting records and are reflected in the financial statements.
3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
4. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the charity and group and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial statements.
5. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.
6. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements. We have also notified you of the actual or contingent consequences which may arise from such non-compliance, including any potential effects on the charity's and group's ability to conduct its activities.
7. We have disclosed to you the identity of the charity's and group's related parties and all the related party relationships and transactions of which we are aware.
8. We have disclosed to you details of all known actual or possible litigation and claims whose effect should be considered when preparing the financial statements.
9. All grants, donations and other incoming resources, the receipt of which is subject to specific terms and conditions, have been notified to you. There have been no breaches of terms and conditions in the application of such incoming resources.
10. We confirm that we have disclosed to you details of all banking and financing arrangements including related contracts and hedging products.
11. We confirm that we have informed you of all tax avoidance schemes used by the group.
12. We confirm that as far as we are aware:
 - no services have been provided to us or our affiliated entities by RSM network firms and their related entities that we have not already informed you of;
 - no gifts, hospitality, favours, donations or sponsorship have been exchanged between us or our affiliated entities and RSM network firms and their related entities that we have not already informed you of;
 - no employment relationships exist between us or our affiliated entities and partners or employees of RSM network firms and their related entities we have not already informed you of; and
 - no other business or personal relationships exist between us or our affiliated entities and RSM network forms and their related entities we have not already informed you of.

The related entities of RSM network firms are as set out in the list provided during the audit.



Charitable Status

1. We have not conducted, or permitted to be conducted any activities which call into question the charitable nature of the charity or the group.
2. There have been no communications with the Charity Commission or other regulatory bodies during the year or subsequently concerning matters of non-compliance with any administrative duty.

We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error.

To assist the auditor in complying with ISA (UK) 720 The Auditor's Responsibilities Relating to Other Information, we confirm that we have informed you of all the documents that will be communicated to the members/trustees with the annual report.

We confirm that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

The contents of this letter were considered and approved by the Methodist Council at its meeting on 29 January 2024.

Yours faithfully

Signed on behalf of the Methodist Council of the Methodist Church in Great Britain

The Revd Sonia Hicks
Chair of the Methodist Council

Anne Bolton
Connexional Treasurer

Date: 29 January 2024



Appendix: List of unadjusted misstatements



The calling of the Methodist Church is to respond to the gospel of God's love in Christ and to live out its discipleship in worship and mission