

Croydon Methodist Circuit

(Charity Registration No. 1129515)

Trustees Annual Report & Financial Statements for the year ended 31 August 2022

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Croydon Methodist Circuit

(Charity Registration No. 1129515)

Trustees Annual Report & Financial Statements for the year ended 31 August 2022

Information

Superintendent Minister	Rev. Dr. Stephen Day
Principal Address	Circuit Office West Croydon Methodist Church 93 London Road Croydon CR0 2RF
Bankers	Barclays Bank plc
Independent Examiner	Paul Newton, JCS Accountants

Trustees (Year ended 31 August 2022) (* denotes resigned during that year)

Revd Nigel Cowgill	Mrs Comfort Croffie	Mrs Toyin Ogunyemi
Revd Dr Stephen Day	Mr Adrian Howe	Revd Dr Leslie Griffiths
Revd Soon Cheol Choi	Mr Kofi Asamoah-Twum	Revd Jennifer Potter
Revd Nadine Wilkinson	Mr Hope Chitauru	Mr Andrew Thynne
Mr Bennie Harms	Miss Sukhvinder Kalsi	Mrs Dunstana Davies
Mrs Juliet Smith	Mr Lawrie Bannister	Mr Byron Asbruce
Revd Pamela Clews	Mr Tolulowaleyi Laval	Mrs Adebukola Lawal
Mr Robin Haslam	Mr Paul Parkinson	Mr Ola Ogunyemi
Ms Dorothea Macauley	Mrs Gillian Haslam	Mrs Sonia Smith
Lady Margaret Griffiths	Miss Siân Williams	Miss Becky Chipere
Mr Robert Nisbeth	Mr Paul Taylor	Henrietta Williams (Appointed 1 st September 2021)
Mrs Doreen Ridden	Mr John Anstey	Miss Sian Williams (Appointed 13 September 2021)
Mrs Pauline Little	Mr Hugh Roberts	Desmond Williams (Appointed 15 th September 2021)
Miss Jennie Hall	Mrs Gertrude Nartey	Adrian Pickett (Appointed 18 th October 2021)
Miss Fran Byard	Mrs Rohini Herat	Eunice Boadu (Appointed 16 th March 2022)
Mr Alan Mills	Mrs Ruth Tayler	
Mr William Smart	Mr David Tayler	
Mrs Linda White	Mrs Elizabeth Smart	
Mr David Fanshawe	Mrs Mary Bannister	
Ms Constantia Pennie	Mrs Alyson Stonehouse	
Mrs Denise Watson	Mr Josef Hopeson-Sowah	
Mrs Collis Peart	Mr Nicholas Kusah	
Mrs Rosemary Jones	Mrs Ann Atkins	

Croydon Methodist Circuit

Trustees Annual Report for the year ended 31 August 2022

Governing documents and objective

The purposes of the Methodist Church are and shall be deemed to have been since the date of the Union the advancement of:

- (a) the Christian faith in accordance with the doctrinal standards and the discipline of the Methodist Church
- (b) any charitable purpose for the time being of any connexional, district, circuit, local or other organisation of the Methodist Church
- (c) any charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church
- (d) any purpose for the time being of any charity being a charity subsidiary or ancillary of the Methodist Church.

In setting our objectives and planning our activities the circuit has given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public interest guidance on advancing our objectives as set out above.

Mission Statement

Croydon Methodist Circuit draws on the Methodist Church in Britain's vision as a "discipleship movement equipped for Mission" and works to priorities taken from "Our Calling" within our local context;

The circuit encourages members individually and each of the churches collectively to engage in local community activities, social outreach, ecumenical work and inter-faith contact and co-operation;

We encourage the development of richly diverse and inclusive communities of faith which allows the exploration of discipleship by all people – regardless of background and without discrimination;

We seek to provide to our communities an example of God-filled lives and to enable the people of our churches to respond to the generosity of God's grace through worship and Christian service;

We seek to link together the people of our circuit churches so that they can be mutually supportive and encouraging, sharing in and learning from each other's experience of Christian living.

Croydon Methodist Circuit

Trustees Annual Report for the year ended 31 August 2022

Review of progress and achievements

Throughout the financial year the Croydon Methodist Circuit had five staff members: three ministerial staff: Revd Dr Stephen Day, Revd Soon Cheol Choi and Revd Nadine Wilkinson, together with Mr Bennie Harms (Lay Pastor) and Mrs Juliet Smith (Circuit Administrator).

Revd Choi and Revd Wilkinson both left the circuit in the summer of 2022 and the circuit is grateful for the ministry they exercised within the churches and communities of the circuit. We wish Revd Choi a happy retirement. Revd Richard Lowson and Revd Gyula Fiak joined the circuit from 1 September 2022.

Mr Bennie Harms retired in August 2022. The circuit is grateful for Bennie's ministry over many years within different parts of the circuit, including his latest role as the Lay Pastor for Addington and Shirley Methodist churches. We wish Bennie a happy retirement.

All our churches remain committed to maintaining their involvement in community outreach activities. The Covid pandemic continued to affect community engagement by churches, although not as much as in the previous two years:

- Parchmore Methodist Church and Community Centre was unable to continue its community engagement by working with local partners largely due to funding constraints and especially with Croydon Council. The church is now working towards re-establishing some community activities after it has completed upgrading the property.
- Norbury Methodist Church's "Pop-in" community café reopened and was greatly welcome by the regular attendees. The usual attendees have brought with them new people and Pop-in is flourishing with their support.
- West Croydon Methodist Church's provision for local homeless people and families took place throughout the year with food, toiletries and clothing provided outside the church building.
- Shirley Methodist Church participates in the Croydon Churches' Floating Shelter, providing overnight winter accommodation for local homeless people; however, this was unable to operate. On the days when the church was due to host the Floating Shelter they provided sandwiches to Croydon Nightwatch to support local homeless people.

Croydon Methodist Circuit

Trustees Annual Report For the year ended 31 August 2022

- Addington Methodist Church engages with three schools; Assemblies are face to face as well as Christmas activities with Christingle and Easter activities with Easter Experience. The church has a full complement of Uniformed Organisations with 4 well attended Parade services per year. The church has a monthly Messy Church that is well attended. The church continues with its coffee mornings in the Hall while collecting for the Vine Food Bank in New Addington, this event has a very strong community attendance; the church hosts a weekly Luncheon Club that is designed for anyone who is retired or has an afternoon spare to have lunch and fellowship. In continuing to engage with the local community A BBQ is planned for the summer 2023 to say thank you for their support.
- South Norwood Methodist Church provides a base for Reaching Higher, a charity which supports young people and their families continued to operate. Coffee mornings take place twice a month on Saturday mornings.
- Christ Church Methodist Church in Addiscombe was unable to operate its annual summer holiday club for children aged 5-11 but did hold a holiday club themed all age Sunday service followed by a barbeque. Monthly Messy Church re-started during the year.
- At Downsview Methodist Church, Upper Norwood, the Luncheon club met weekly and also had an outing where members and volunteers went out together for lunch. The Downsview Players, an amateur dramatic group based at Downsview Methodist Church put on a show at which they had one performance particularly for people with additional needs and they also took it to Hall Grange. In addition, the Singing Men and Women group continues to meet weekly at Downsview once per week for practice. The Girls and Boys Brigades continue to meet weekly at Downsview.

Our churches run activities for children and young people, including Messy Church, café worship and youth clubs. Churches host and engage with uniformed organisations such as Boys' Brigade, Girls' Brigade, Brownies, Guides, Rangers, Beavers, Cub Scouts and Scouts. Since Covid restrictions were lifted we gradually re-opened face-to-face engagement with children and young people. Some groups have noticed a decline in attendance after the pandemic restrictions, but since have been slowly rebuilding engagement and running a variety of activities creating safe and encouraging peer spaces and intergenerational spaces for children and young people including residential. We have as a circuit been looking for opportunities to bring children and youth groups together from across the circuit., including a Pancake Event in 2022.

The circuit provides ministers and preachers to lead a weekly Sunday afternoon worship service at Hall Grange, a residential care home run by MHA. Several church members do voluntary work at Hall Grange. Sadly, Covid outbreaks amongst residents meant it was not always possible to hold the weekly services.

Croydon Methodist Circuit

Trustees Annual Report for the year ended 31 August 2022

Churches support local older people through engagement with local residential care homes. The minister and several South Norwood church members led monthly services at the Acacia Care Centre. However, worship in other residential care homes were disrupted by the Covid pandemic and has not resumed.

The circuit equips lay volunteers by providing training and development opportunities to empower them to identify and use their gifts and skills to the glory of God. In this work we are guided by the Methodist Church in Britain's statement "Our Calling":

- The Church exists to increase awareness of God's presence and to celebrate God's love
- The Church exists to help people to grow and learn as Christians, through mutual support and care
- The Church exists to be a good neighbour to people in need and to challenge injustice
- The Church exists to make more followers of Jesus Christ

The circuit provides initial training for Local Preachers and Worship Leaders as well as ongoing peer support for those accredited. Creating Safer Space safeguarding training is offered annually to those needing initial or refresher training.

The Circuit staff continue to work in partnership with local and national voluntary and statutory bodies. They engage ecumenically with Croydon Churches Forum as well as other local groups.

Plans for the future

The circuit has encouraged churches to reflect on current circumstances and embark on a process of imagining and updating their vision for the future, recognising the impact of Covid and other factors on church worship, finances and community engagement. In considering opportunities and resources available it will facilitate the development of mission plans to direct local church activities and decision-making over the coming years; these local mission plans will enable the circuit's mission to be renewed. It is hoped that the situation will enable the recovery and growth of local churches, including the financial stability of churches which will help to improve the circuit's financial position

Risk Assessment

The Circuit Leadership Team (CLT) continues to review the regulatory framework in which the circuit operates and where the CLT finds areas of risk to the circuit, appropriate action is taken to minimise the risk.

Croydon Methodist Circuit

Trustees Annual Report for the year ended 31 August 2022

Safeguarding

Every person has a value and dignity which comes directly from the creation of male and female in God's image and likeness. Christians see this potential as fulfilled by God's recreation of us in Christ. Among other things this implies a duty to value all people bearing the image of God and therefore to protect them from harm. The Croydon Methodist Circuit commits itself to ensuring the implementation of Methodist Connexional Safeguarding policy; government legislation, guidance and safe practice in the circuit and in the churches in support of this.

In the year under review:

Local and circuit safeguarding officers have been continuing to ensure that as public worship and church activities across the circuit began to re-open following covid restrictions, that everything was in place to ensure safeguarding practices were being followed. This included following up on DBS checks where this is required, attendance at Foundation Training which was offered both online by the London District and face-to-face within the circuit. Revd Cameron Kirkwood, Linda White and Doreen Ridden completed the Train the Trainers course provided by the London District which qualifies them to offer Foundation training within local churches or across the circuit. Safeguarding officers have also been making sure that those who hire our premises are compliant with safeguarding policy and practice.

During the year a priority was on ensuring that all Worship Leaders, Local Preachers and Presbyters completed the Advanced Safeguarding training which was offered by the London district with a requirement that this was completed by 31 August 2022.

Local Church and circuit safeguarding officers met quarterly via Zoom for mutual support, the setting of priorities and to update one another on any issues following the re-opening of churches for worship and activities.

Linda White continued to attend the district safeguarding forums to update the circuit on current practice and best practice.

Revd Cameron Kirkwood stepped down as part of the circuit safeguarding team on the 31 August 2022 having come to the end of his term of office agreed with the Superintendent.

The Croydon Methodist Circuit commits itself to the provision of support, advice and training for lay and ordained people that will ensure people are clear and confident about their roles and responsibilities in safeguarding and promoting the welfare of children and adults who may be vulnerable.

Croydon Methodist Circuit

Trustees Annual Report for the year ended 31 August 2022

Financial Review

The Financial Statements have been prepared in accordance with the Charities Statement of Recommended Practice.

The ongoing Covid-19 pandemic continued to impact the circuit's income in the financial year ended 31 August 2022 with reductions in churches' letting income limiting the ability of certain churches to meet assessment payments in full. Assessments due but not paid totalled £ 17,346.

At the end of the financial year one circuit minister retired and a second moved to a new appointment. New ministers were appointed to serve from 1 September 2022 necessitating repair and improvement works on two manses totalling £32,148. In addition a manse not currently used to house a staff member and which had therefore been let out became vacant and repair works totalling £ 20,357 were carried out during the year to enable the house to be re-let.

As a consequence of these one off costs the circuit suffered a reduction of resources in the year ended 31 August 2021 of £64,694 (2020: decrease of £50,817) and the circuit's net current assets decreased from £193,369 at the beginning of the year to £128,675 at year end, of which £22,002 (2020: £57,640) represents general reserves.

In addition to the above staffing changes the circuit's lay pastor retired at the end of the financial year and the circuit gives thanks for his service over the last ten years. In view of the recent impact of the pandemic on local church finances a replacement staff member has not been recruited although the circuit meeting resolved to carry out a review of the circuit's staffing during 2023.

With effect from the beginning of the new financial year all churches have indicated that they expect to meet assessment payments in full, and the circuit expects its financial performance to be stable over the 2022-25 period. Taking into account the actions taken in recent years to reduce the circuit's fixed expenditure and therefore church assessment levels, the Trustees have every reason to believe that the circuit is a going concern.

Reserves Policy

The reserves of the circuit are dependent on the extent that its ongoing costs can be funded from the assessments levied on the individual churches. The circuit seeks to operate its financial affairs each year on an ongoing basis. At the year end, the actual readily available reserves, being the circuit's General and Model Trust funds represented 4.58 months (2021: 6.87) expenditure, slightly below the stated policy of general reserves of at least six months expenditure. However, the ratio of reserves to expenditure at August 2022 was reduced by the one-off repair costs on three of the circuit's manses and the ratio is expected to return to an acceptable level in 2022/23. Accordingly the circuit is confident that for the foreseeable future total reserves will remain at an adequate level.

Croydon Methodist Circuit

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Structure, governance and management

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

Detailed governance arrangements are outlined within the Constitutional Practice and Discipline of the Methodist Church by order of the annual conference (CPD).

The Connexional Office implements decisions made by Conference and is also responsible for the stationing of Presbyters in individual Circuits.

Connexional decisions are passed to the Chair of the District and appropriate Officers of the District for regional implementation.

The district passes control down to circuit level for local implementation by the Superintendent Minister, ministerial staff and Circuit Stewards via the medium of the Circuit Meeting.

The membership of the Circuit Meeting is laid down in the Constitutional Practice and Discipline of the Methodist Church. Together the members of the Circuit Meeting are the Managing Trustees of the Circuit.

Trustees

As set out in Methodist Standing Order 510, the members of the Croydon Methodist Circuit meeting are the Charity Trustees, membership being made up of ministers and circuit office holders, who are automatically trustees, together with representatives appointed by the local churches.

Owing to the number of individual churches in the circuit and the fact that the majority of the Circuit Meeting members are those elected by individual churches, it is clear that the make-up of the meeting is subject to frequent change. There were 61 trustees as at 30 June 2022 (2021: 56). A list of trustees is provided on page 2.

Related Parties

The Circuit is part of the London District and is also accountable to the Methodist Conference. The following Methodist Churches are linked to the Circuit:-

Addington Methodist Church

Christ Church Methodist, Addiscombe

Downsview Methodist Church

Norbury Methodist Church

Parchmore Methodist Church

Shirley Methodist Church, Croydon

South Norwood Methodist Church

West Croydon Methodist Church

Croydon Methodist Circuit
Trustees Annual Report
For the year ended 31 August 2022

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the accounts in accordance with applicable law and United Kingdom Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year.

In preparing these accounts, the Trustees are required to:

- Select suitable accounting policies and then apply these consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Croydon Methodist Circuit and enable them to ensure that the financial statements comply with the law. They are also responsible for safeguarding the assets of the Circuit and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the trustees is aware, there is no relevant information that has not been disclosed to the independent examiner and each of the trustees believes that all steps have been taken that ought to have been taken to make him aware of any relevant information.

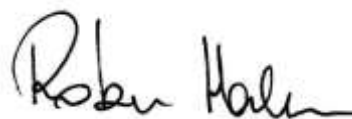
Croydon Methodist Circuit
Trustees Annual Report
For the year ended 31 August 2022

Approvals

The Trustees' Annual Report was approved by the Trustees on 15 March 2023 and signed on their behalf on 19 May 2023 by:



Rev Richard Lowson



Robin Haslam

Croydon Methodist Circuit

Circuit No:
35/41

Statement of Financial Activities (SOFA) for the year ended 31 August 2022

		2021 - 22			2020-21		
	Note	General Fund	Model Trust	Total	General Fund	Model Trust	Total
		£	£	£	£	£	£
Income							
Donations	3	100		100			0
Charitable activities							
Assessments on churches	5	250,555		250,555	259,954		259,954
Grants receivable	6	0		0	0		0
Letting income	4	20,500		20,500	26,400		26,400
Total from charitable activities		271,055		271,055	286,354		286,354
Other							
Income from Monetary Investments		131	617	748	109	461	570
Total income		271,286	617	271,903	286,463	461	286,924
Expenditure							
Expenditure on activities							
Grants and donations payable	7	0		0	9,410		9,410
Salaries and associated costs	8	166,354		166,354	184,816		184,816
Property	9	92,094		92,094	46,096		46,096
District Assessment & Levy	10	65,324	4,673	69,997	65,324	4,783	70,107
Other outgoings	11	8,152		8,152	27,312		27,312
Total charitable expenditure		331,924	4,673	336,597	332,958	4,783	337,741
Net (expenditure)/income before investment gains/losses		(60,638)	(4,056)	(64,693)	(46,495)	(4,322)	(50,817)
Gains or Losses on property revaluations				0			0
Net (expenditure)/income before transfers		(60,636)	(4,056)	(64,694)	(46,495)	(4,322)	(50,817)
Transfers between funds	21	25,000	(25,000)		0	0	
Net movement in funds		(35,638)	(29,056)	(64,694)	(46,495)	(4,322)	(50,817)
Reconciliation of funds							
Total funds brought forward		2,220,488	135,729	2,356,217	2,266,983	140,051	2,407,034
Total funds carried forward		2,184,850	106,673	2,291,523	2,220,488	135,729	2,356,217

The Statement of Financial Activities includes all gains and losses recognised in the year.

All funds are unrestricted. All activities relate to continuing operations.

Croydon Methodist Circuit

Circuit No: 35/41

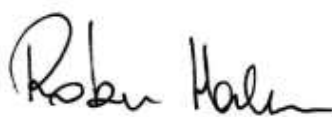
Balance Sheet as at 31 August 2022

	Note	General Fund: Unrestricted	Circuit Model Trust: Unrestricted	Restricted Funds	Totals 2022	Totals 2021
		£	£	£	£	£
Fixed Assets						
Tangible fixed assets	14	2,162,848			2,162,848	2,162,848
Total fixed assets		2,162,848			2,162,848	2,162,848
Current Assets						
Debtors	15	27,254			27,254	10,209
Investments with TMCP	16		106,673		106,673	135,729
Central Finance Board Deposits	17	49,594			49,594	66,294
Cash at Bank and in hand	17	9,604			9,604	38,005
Total current assets		86,452	106,673		193,125	250,237
Current Liabilities						
Creditors (due in under 1 year)	18	64,450			64,450	56,868
Total current liabilities		64,450			64,450	56,868
Net current assets		22,002	106,673		128,675	193,369
Total assets less current liabilities		2,184,850	106,673		2,291,523	2,356,217
Long Term Liabilities (due after more than one year)	19				0	0
Net assets		2,184,850	106,673	0	2,291,523	2,356,217
Funds of the Circuit						
General Fund (Unrestricted)	20.1	2,184,850			2,184,850	2,220,488
Circuit Model Trust Fund (Unrestricted)	20.2		106,673		106,673	135,729
Total Unrestricted Funds		2,184,850	106,673		2,291,523	2,356,217
Restricted Funds					0	0
Total Funds		2,184,850	106,673	0	2,291,523	2,356,217

The financial statements were approved by the Trustees on 15 March 2023 and were signed on their behalf on 19 May 2023 by:



Rev Richard Lowson



Robin Haslam

Croydon Methodist Circuit

Notes to the financial statements for the year ended 31 August 2022

1. Basis of accounting and accounting policies

i Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102), Financial Reporting Standard 102 and the Charities Act 2011.

ii Public benefit entity

The Croydon Methodist Circuit meets the definition of a public benefit entity under FRS 102. It is an unincorporated trust with principal office at West Croydon Methodist Church, 93 London Road, Croydon CR0 2RF.

iii Basis

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s) below.

iv Content

The financial information presented is relevant, reliable, comparable and complete. Where estimates are used these are based on experience, research and judgement. The accounts are expressed in £ Sterling, rounded to the nearest pound.

v Going concern

The charity has a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future. There are no material uncertainties affecting this expectation. It has therefore continued to adopt the going concern basis in preparing its financial statements.

vi. Funds

General unrestricted funds represent funds which are expendable at the discretion of the Circuit in the furtherance of the objects of the charity and which have not been designated for other purposes. Such funds may be held to finance both working and capital investment.

vii Consolidation

The Circuit oversees the work of ministers and lay workers in Churches within the Circuit but does not have control over those Churches, ministers or lay workers except in extreme circumstances, none of which were applicable. For this reason, the financial statements of the Churches within the Circuit are not consolidated into these financial statements.

viii Income recognition

Income is recognised in the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that income will be received and the amount can be measured reliably.

Donations are accounted for gross when received.

Rental income is accounted for on an accruals basis.

In accordance with the Charities SORP (FRS 102), the time of volunteers is not recognised.

Further information on this matter is provided in the Trustees' Annual Report.

ix Expenditure

Expenditure is recognised in the Statement of Financial Activities once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Croydon Methodist Circuit

Notes to the financial statements for the year ended 31 August 2022

x Grants

Grants made by the Circuit from its own funds are recognised in full at the time of the agreement or when the Circuit accepts that there is a legal or operational obligation to make the payment. When the grant is recurrent over more than one year the balance payable in future years is treated as a provision being released for future commitments in the Balance Sheet against the appropriate fund, the provision being released in future years as instalments are paid in accordance with the originally agreed terms.

xi VAT

Irrecoverable input VAT is charged as a cost against the activity for which the expense was incurred.

xii Tangible fixed assets

These are capitalised if they can be used for more than one year, and individually cost at least £1,500. The freehold property is shown in the accounts at deemed historical cost representing each property's gross carrying value at 1 September 2015, being that property's insurance reinstatement value, as notified by Methodist Insurance plc at the previous renewal date. The value of the land element of the property is deemed to be one third of the total carrying value, based on research undertaken by Savills.co.uk. Further information can be found on their website. If acquired after that date and/or where freehold property has subsequently been extended, the cost of acquisition and/or extension is taken. No depreciation is provided because the trustees consider the current residual fair value of the properties in their present condition is not less than its historical cost, and, in the absence of any evidence of impairment, any depreciation provision for the buildings component of the properties would be immaterial.

xiii Receivables and Payables; Bank and Cash

Debtors are stated at the amounts owed to the Circuit or prepaid. Creditors are initially recognised at settlement amount after any trade discounts, where normal credit terms apply, or amount advanced to the Circuit. Subsequently creditors that are current liabilities are measured at the cash or other consideration expected to be paid. The liquid funds of bank balances and deposit account balances are shown at their realisable values.

xiv Methodist Connexional Funds

The Methodist Church Connexion raises assessments against Circuits and these are paid quarterly to their Districts. The Circuits raise assessments against Churches in the Circuit. The District remits to The Methodist Church Fund quarterly most of the sums received from Circuits. A small sum is retained by the District to meet its own costs.

xv Ministers' manse costs

The Circuit is required to provide accommodation for each minister in the Circuit and their families and this is seen as a benefit to the Circuit. Ministers are expected to occupy the manse provided for them. The Circuit bears the cost of repairs, maintenance, buildings insurance, Council Tax and water charges. These figures are not separately disclosed as benefits in kind for ministers as HMRC does not seek to tax these receipts in the hands of ministers.

xvi Investment properties

No property is currently deemed to not be held for the long term purposes of the charity.

xvii Financial instruments

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

Croydon Methodist Circuit

Notes to the financial statements for the year ended 31 August 2022

2. Glossary of terms

CFB: Central Finance Board of the Methodist Church manages a Common Deposit Fund and a series of pooled investment funds for Methodist entities in Great Britain and provides investment advice to those entities

Church: a group of members from fewer than 10 to more than 300

Circuit: a group of Methodist Churches near each other, typically between 10 and 30

Circuit Meeting: The Trustees of the Circuit, most of whom are appointed by their local Churches and others by virtue of a role they undertake for the Circuit and/or their local Churches.

CMTF: Circuit Model Trust Fund

Connexion: The Methodist Church in GB which includes the Head Office at Methodist Church House, all Methodist Districts, Circuits and Churches in Great Britain

District: a group of contiguous Circuits, usually between 15 and 30

FRS: Financial Reporting Standard

HMRC: Her Majesty's Revenue and Customs

MCF: Methodist Church Fund

SOFA: Statement of Financial Activities

SORP: Statement of Recommended Practice

TMCP: Trustees for Methodist Church Purposes, the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds

3. Income from donations

	General	CMTF	Restricted	Total	2021
Donations	100			100	-

4. Income from other trading activities

Letting income has been received in respect of the following properties:-

	General	CMTF	Restricted	Total	2021
Pollards Hill East	11,000			11,000	26,400
Southern Avenue	9,500			9,500	-
Total	20,500			20,500	26,400

Croydon Methodist Circuit

Notes to the financial statements for the year ended 31 August 2022

5. Assessments on Churches

The Circuit comprises 8 churches and each is assessed for a contribution to meet the overall net costs of the Circuit. An Assessment on Churches is determined annually by the Circuit using a formulaic method which takes into account the relative number of members in each church and its relative income.

	General	CMTF	Restricted	Total	2021
Addington	22,532			22,532	24,284
Christ Church	39,288			39,288	38,411
Downsview	33,076			33,076	44,492
Norbury	6,787			6,787	6,600
Parchmore	27,616			27,616	27,563
Shirley	54,148			54,148	56,580
South Norwood	26,108			26,108	33,024
West Croydon	41,000			41,000	29,000
Total	250,555			250,555	259,954

The churches are considered to be related parties of the circuit.

6. Grants receivable

No grants were received in 2022 or 2021.

7. Grants and donations payable

Total grants of £Nil (2021: £9,410) were made from the General Fund to Parchmore Methodist Church (a related party of the circuit) towards community work.

8. Salaries and associated costs

Stipends were paid to 3 presbyters in the year (2021: 3 presbyters), and salaries paid to 2 lay workers (2021: 3 lay workers). The salaries are paid by the Connexion but funded by the Circuit.

The superintendent minister of the circuit, the other presbyters, the lay employees and the circuit stewards and treasurer make up the Circuit Leadership Team (CLT) and are considered as key management personnel. The superintendent chairs meetings of the CLT and circuit meetings. The members of the circuit meeting are the trustees of the circuit.

The Presbyters of the circuit undertake the primary executive roles within the circuit. Apart from the three presbyters and the lay employees, who are trustees by virtue of their position, no member of the circuit meeting or CLT was in receipt of any payment for work undertaken on behalf of the circuit although certain travelling and administration costs were incurred in relation to specific projects.

Croydon Methodist Circuit

Notes to the financial statements for the year ended 31 August 2022

Key management personnel and total staff costs related to the presbyters and lay employees were as follows:

	2021 – 22	2020 – 21
	£	£
Gross stipends and salaries	122,734	139,352
Employer's National Insurance contributions	12,148	12,786
Employer's pension contributions to defined benefit and contribution schemes	23,510	23,626
Travel expenses	1,910	1,042
Total key management personnel costs	160,302	176,806
Fees paid to supernumerary ministers	1,300	1,450
Communications and other expenses	3,921	3,053
Computers for Ministry	513	507
Ministers training	318	0
Removal expenses	0	3,000
Total salaries and associated costs	166,354	184,816

Included in key management personnel costs above are salary and employment-related expenses related to the three non-presbyteral staff by category as follows:

	Mission		Administration	Total	2020 - 21
	Lay pastor	Youth development			
Gross salaries	25,825	0	16,855	42,680	60,227
Employer's National insurance	2,416	0	1,131	3,547	3,947
Pension contributions	1,549	0	1,011	2,560	2,935
Travel expenses	738	0	60	798	654
	30,528	0	19,057	49,585	67,763

No employees received employee benefits that totalled more than £60,000. There is no accrual for holiday pay as it is immaterial; the holiday year ends on 31 August. All staff are paid at or above the living wage. The travel costs of Presbyters who attended CLT and circuit meetings is included within their overall travel expenses and is not separately determined.

Pensions

Most ordained presbyters and deacons are members of the Methodist Ministers' Pension Scheme (MMPS). This is a defined benefit scheme. The Supreme Court held in 2014 that Methodist ministers (which term includes presbyters and deacons) are not employees of the Church. For simplicity, however, when dealing with National Insurance Contributions and pension contributions, the terms 'employer' and 'employee' are used as they would be in an employing body.

On the other hand lay employees are contractually employees and have the option of joining a scheme which the Circuit has arranged with The Pensions Trust. This is a defined contribution scheme and the Circuit contributes as employer to this scheme.

The Connexion accounts for the MMPS in the annual Methodist Church in Great Britain accounts. The MMPS is in deficit but a plan for removal of the deficit has been proposed and is being implemented. Details of the deficit on this scheme can be found in the Annual Report and Accounts of The Methodist Church at www.methodist.org.uk

Croydon Methodist Circuit

Notes to the financial statements for the year ended 31 August 2022

9. Property costs

The circuit is Managing Trustee for 7 manses, 6 of which were occupied during the year by presbyters or lay staff serving in the Circuit. One manse, Pollards Hill East, is let on an Assured Shorthold Tenancy. With the exception of the let manse, the Circuit is responsible for the payment of Council Tax, Utilities, Water Charges, Insurance and maintenance. In addition the Circuit pays a contribution towards the operational costs of the Circuit Office and periodic professional survey fees for the manses and churches in the Circuit. All costs are paid from the General Fund.

	2021 – 22	2020 – 21
	£	£
Maintenance -		
Barnfield Avenue	11,371	1,337
Norbury Avenue	20,777	823
The Manse, Huntingfield	3,271	4,420
Pollards Hill East	23,057	1,429
Sefton Road	470	2,800
Southern Avenue	8,290	10,771
Letting agents' fees	2,717	3,960
Council Tax	13,407	11,848
Water charges	1,422	1,690
Insurance	4,812	5,740
Survey fees	2,500	1,278
Total	92,094	46,096

10. District Assessment & Levy

The District Assessment is calculated relative to the proportion of church members and staffing (presbyters and mission staff only) of all Circuits in the London District. 25% of the overall cost is calculated using relative staffing proportions and 75% is calculated using relative membership proportions.

The Levy is calculated on a sliding scale percentage of the Circuit's CMTF account balance as at 31 August of the accounting year.

	General	CMTF	Restricted	Total	2021
Methodist Church Fund (MCF)	57,166			57,166	57,166
District Expenses	8,158			8,158	8,158
Levy on CMTF funds		4,673		4,673	4,783
Total	65,324	4,673		69,997	70,107

11. Other outgoings

	General	CMTF	Restricted	Total	2021
Preaching and Worship:					
Circuit plan and directory	72			72	195
Other costs:					
Circuit office	1,088			1,088	1,399
Resources	2,279			2,279	2,903
Payroll admin cost	480			480	480
Subscriptions					397
Miscellaneous	4,233			4,233	21,938
Total	8,152			8,152	27,312

Croydon Methodist Circuit

Notes to the financial statements for the year ended 31 August 2022

12. Payments to trustees

The Circuit does not make payments to trustees other than as disclosed in note 8 above.

13. Governance costs

A fee of £1,218 (2021: £1,176) was charged by the Independent Examiner for the examination of the Circuit's accounts and accounting records.

14. Circuit manses and equipment

The Circuit Manses are all freehold properties and their value is shown as the deemed historical cost representing each property's carrying value at 1 September 2015 or acquisition value if purchased after that date (see Note 1 (xii)). The cost of extensions to freehold properties since 1 September 2015, or acquisition date if later, are capitalised.

Office equipment consists of one computer in the Circuit Office

14.1 Cost or valuation

	Land £	Buildings £	Office Equipment £	Total £
Cost or valuation				
Balance brought forward at 1 September, at cost	704,100	1,458,748	1,336	2,164,184
Additions in the year				
Revaluations in the year				
Less: Disposals in the year				
Gain on sale				
Balance carried forward	704,100	1,458,748	1,336	2,164,184

14.2 Accumulated depreciation

	Land £	Buildings £	Office Equipment £	Total £
Accumulated depreciation				
Balance brought forward at 1 September			1,336	1,336
Depreciation charge for the year			0	0
Balance carried forward			1,336	1,336

14.3 Net book value

	Land £	Buildings £	Office Equipment £	Total £
Brought forward	704,100	1,458,748	0	2,162,848
Balance carried forward	704,100	1,458,748	0	2,162,848

Croydon Methodist Circuit

Notes to the financial statements for the year ended 31 August 2022

15. Debtors and prepayments

Circuit assessment debtors are measured on the basis of the amount expected to be recovered within twelve months. Debtors refer to the General Fund.

	2021 – 22	2020 – 21
	£	£
Trade debtors		
Circuit assessments (net of provisions of £58,328 (2021: £40,383))	10,000	0
Prepayments and accrued income	17,254	10,209
Total (net)	27,254	10,209

16. Trustees for Methodist Church Purposes

The funds that support the Circuit Model Trust Fund are held by TMCP in Trustees Interest Funds on which interest is credited to the accounts each month. These are regarded as medium and long term investments.

TMCP is the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds. Trust property is held for and on behalf of local Managing Trustees who are responsible for the day to day management of trust property. TMCP ensure that, through providing guidance and acting under their direction, the Managing Trustees comply with charity law and Methodist law and policy as determined by the Methodist Conference.

17. Central Finance Board (CFB) and Cash at Bank

The Circuit has a current accounts at Barclays Bank plc, an authorised institution. The sums held on those accounts are immediately available. In addition the Circuit has a deposit accounts at CFB, a common deposit fund. Interest is earned on these accounts and credited monthly; the sums deposited can be withdrawn without notice and without loss of interest. These sums are viewed as being liquid.

18. Creditors and accrued expenses

Creditors and accrued expenses refer to the General Fund

	2022	2021
	£	£
Creditors and accruals		
Trade Creditors	0	0
Accruals and deferred income	64,450	56,868
Total	64,450	56,868

Maturity analysis of basic financial instruments

	Accrued at 01-Sep-21	Paid in year	Accrual made in year	Accrued at 31-Aug-22
Trade creditors				
Trade Creditors	0	0	0	0
Accruals	56,868	(56,868)	64,450	64,450
Total	56,868	(56,868)	64,450	64,450

It is expected that all sums accrued at 31 August 2022 will be paid during the year to 31 August 2023.

Croydon Methodist Circuit

Notes to the financial statements for the year ended 31 August 2022

19. Long Term Liabilities

The Circuit has no long term liabilities as at 31 August 2022 (2021: £Nil)

20. Unrestricted Funds

20.1 General Fund – balance £2,184,850 at 31 August 2022 (2021: £2,220,488)

The purpose of the fund is for use at the discretion of the trustees in the furtherance of the general objectives of the Circuit and which have not been designated for other purposes. About 97% of this fund is held as freehold properties. During the year £9,410 was paid out as grants and donations from the General Fund.

20.2 Circuit Model Trust Fund – balance £106,673 at 31 August 2022 (2021: £135,729)

The purpose of the fund is for use at the discretion of the trustees in the furtherance of the general objectives of the Circuit. Its main source of income is the contributions from the sale of manses in the Circuit.

Although this is technically an Unrestricted Fund under the control of the Circuit Meeting, prior approval is still required from the District to utilise these funds. Methodist Standing Orders 930, 913 and 917(2) are applicable.

21. Summary of movements on significant individual funds

Fund	Balance at 01-Sep-21 £	Income £	Expenditure £	Transfers £	Balance at 31-Aug-22 £
General Fund	2,220,488	271,286	(331,924)	25,000	2,184,850
Circuit Model Trust Fund	135,729	617	(4,673)	(25,000)	106,673
Total Funds	2,356,217	271,903	(336,597)	0	2,291,523

Fund	Balance at 01-Sep-20 £	Income £	Expenditure £	Transfers £	Balance at 31-Aug-21 £
General Fund	2,266,983	286,463	(332,958)	0	2,220,488
Circuit Model Trust Fund	140,051	461	(4,783)	0	135,729
Total Funds	2,407,034	286,924	(337,741)	0	2,356,217

Transfers from the Circuit Model Trust Fund were to facilitate major repairs to circuit manses.

22. Volunteer contributions

Every entity (Connexion, District, Circuit, Church) within the Methodist Church in GB is heavily reliant on volunteers who contribute their skills, time and money in the furtherance of the work of the Church. Principally this contribution is by serving on committees of the Circuit that deal with mission, manses, finance, policy, grants, training, development. We are grateful to all of them for their help and commitment.

Croydon Methodist Circuit

Notes to the financial statements for the year ended 31 August 2022

23. Capital commitments and contingent liabilities

There were no capital commitments at the year end (2021: £nil). The circuit had contingent liabilities of £7,000 at the year end (2021: £7,000) representing grants awarded subject to conditions which had not yet been met at that date.

24. Lease Commitments

The Circuit has contracts or obligations for the following:-

There are short term obligations for telephones and ancillary equipment at the Circuit Office. The total annual cost is not considered material.

Independent Examiner's Report to the Trustees of the Croydon Methodist Circuit

I report to the charity trustees on my examination of the accounts of Croydon Methodist Circuit (the charity) for the year ended 31 August 2022 set out on pages 11 to 22.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Church's accounts as carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Report) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination;

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Paul Newton FCA
Jacob Cavenagh & Skeet
5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

Date: 19/05/2023