

Croydon Methodist Circuit

(Charity Registration No. 1129515)

Trustees Annual Report & Financial Statements for the year ended 31 August 2023

	Page
Contents	
Information	2
Trustees Annual Report including Reserves Policy	3 – 11
Statement of Financial Activities	12
Balance Sheet	13
Notes to the Financial Statements	14 – 23
Independent Examiner's report	24

Croydon Methodist Circuit

(Charity Registration No. 1129515)

Trustees Annual Report & Financial Statements for the year ended 31 August 2023

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 2023) (* denotes resigned during that year)

Revd Nigel Cowgill	Mrs Comfort Croffie	Henrietta Williams*
Revd Dr Stephen Day	Mr Adrian Howe	Miss Sian Williams
Revd Richard Lowson	Mr Kofi Asamoah-Twum*	Eunice Boadu
(Appointed 1 st September 2022)	Miss Sukhvinder Kalsi	Mary Salter (Appointed 1 st
Revd Gyula Fiak	Mr Lawrie Bannister	September 2022)
(Appointed 1 st September 2022)	Mr Tolulowaleyi Laval	Alberta Larkai-Doherty
Mrs Juliet Smith	Mr Paul Parkinson	(Appointed 9 th November 2022)
Revd Pamela Clews*	Mrs Gillian Haslam	Tirena Gunter
Revd Dr Leslie Griffiths	Miss Siân Williams	(Appointed 1 st May 2023)
Revd Jennifer Potter	Mr Paul Taylor	Pauline Foster
Rev. Juliet Ushewokunze	Mr John Anstey	(Appointed 1 st May 2023)
(Appointed 2 nd March 2023)	Mr Hugh Roberts	Christine Elliott
Mr Robin Haslam	Mrs Gertrude Nartey	(Appointed 1 st July 2023)
Ms Dorothea Macauley*	Mrs Rohini Herat	
Desmond Williams	Mrs Ruth Tayler	
Adrian Pickett	Mr David Tayler	
Toyin Ogunyemi	Mrs Elizabeth Smart	
(Appointed 9 th August 2023)	Mrs Alyson Stonehouse*	
Simon Tayler	Mr Josef Hopeson-Sowah	
(Appointed 9 th August 2023)	Mr Nicholas Kusah	
Mrs Doreen Ridden	Mrs Ann Atkins	
Mrs Pauline Little	Mr Andrew Thynne	
Miss Jennie Hall	Mrs Dunstana Davies	
Miss Fran Byard	Mr Byron Asbruce	
Mr Alan Mills	Mrs Adebukola Lawal	
Mrs Linda White	Mr Ola Ogunyemi	
Ms Constantia Pennie	Mrs Sonia Smith	
Mrs Denise Watson*	Miss Becky Chipere	
Mrs Collis Peart*		
Mrs Rosemary Jones*		

Croydon Methodist Circuit

Trustees Annual Report for the year ended 31 August 2023

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 2023

Review of progress and achievements

Throughout the financial year the Croydon Methodist Circuit had four staff members: three ministerial staff: Revd Dr Stephen Day, Revd Richard Lowson and Revd Gyula Fiak, together with Mrs Juliet Smith (Circuit Administrator).

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:

- Addington Methodist Church engages with three local schools: leading assemblies and hosting activities to share the Christmas and Easter stories. Beavers, Cubs Scouts, Rainbows, Brownies and Guides meet in the church and four well-attended Parade services are held each year. The church has a monthly Messy Church that is well attended. The church holds a monthly coffee morning during which donations are collected for the Vine Food Bank in New Addington; these events are well supported by the local community. 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.
- Christ Church Methodist Church in Addiscombe was able to hold its annual summer holiday club for children aged 5-11 for the first time in several years. The church holds a monthly Messy Church and runs a weekly Stay and Play toddlers group. Brownies and Guides meet at the church. Café worship takes place monthly.
- 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 the 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 Girls' and Boys' Brigades meet weekly as does the Community choir. In partnership with the Waddington Way Residents Association the church put on a Big Lunch to commemorate the King's coronation. The church also started a new outreach programme of providing drinks and refreshments to the parents from Downsview School who park in the car park to collect their children.
- Norbury Methodist Church holds a weekly Pop-in community café which is well attended and valued by local people. The church also runs a weekly craft group and Posh Tots, a weekly group for toddlers and their carers. Various community events take place on the premises, including monthly surgeries for the local ward councillors.

Croydon Methodist Circuit

Trustees Annual Report For the year ended 31 August 2023

- The premises of Parchmore Methodist Church and Community Centre are being used by six community groups, five of which were also using the premises pre-Covid. The trustees are considering the possibility of re-opening the Parchmore Lunch Club to support local people; It is envisaged this would initially be with a small group of people on a limited basis. The church also holds a monthly coffee morning and provides a valuable opportunity for people to meet over refreshments to chat and play games.
- Shirley Methodist Church has begun new forms of community engagement. A group gathers each month to make bread, some of which is given away to family, friends or neighbours. A monthly film club developed from showing films during Lent in 2023. Church members have a close link with Hall Grange, the residential care home run by MHA, giving support as volunteers and supporting activities in the home and in the Wilderness, a heritage garden on the Hall Grange premises (<https://www.mha.org.uk/get-involved/the-wilderness>).
- South Norwood Methodist Church holds a coffee morning twice a month. The minister and several church members lead a monthly service at Acacia Care Centre, a local residential care home.
- West Croydon Methodist Church has a Wednesday Club offering support to individuals and families who are homeless or struggling in other ways. It operates weekly except the last week of each month, offering food, toiletries and clothing.

The above shows that many of our churches run various activities for children and young people. Churches host and engage with a range of uniformed organisations. West Croydon Methodist Church has a particular ministry with children and young people; it has an active youth club to support young people in their Christian faith with many being confirmed and received as church members.

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.

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. Training has been offered to local church and circuit trustees to equip them for their roles. Prescribed office holders in local churches and the circuit have engaged with the mandatory Unconscious Bias and Equality, Diversity & Inclusion as part of the Methodist Church in Britain's Justice, Dignity & Solidarity strategy. The circuit trustees also adopted a raft of policies relating to circuit lay employees.

Croydon Methodist Circuit

Trustees Annual Report for the year ended 31 August 2023

The circuit's work is 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 trustees have committed all circuit churches to conduct a community exploration to understand better the community in which they are situated. These explorations will involve churches engaging with their neighbours and data about the local wards. The resulting information will help churches to assess their vision and mission, especially in light of changes resulting from Covid and other events. Information from all the community explorations will be gathered to help circuit trustees to see whether there are common strands which help churches and communities to work together for a common purpose. The initial mission planning work of the community explorations will be accompanied by seeking a deacon to be stationed in the circuit from September 2024. Should a deacon be stationed in the circuit they would divide their time between supporting the minister of three churches in the south of the circuit and being the Circuit Mission Enabler. The post of Circuit Mission Enabler is a new one for the circuit and has been envisaged to support all circuit churches in clarifying their future vision and mission as well as identifying opportunities for working together between churches and communities.

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 2023

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.

Local church and circuit safeguarding officers have ensured that those new to the relevant offices within local churches and the circuit have obtained a DBS disclosure and attended the Foundation Module training offered locally or in the wider district and, where appropriate, the Advanced Module training offered by the London District. Revd Cameron Kirkwood and Doreen Ridden are qualified to offer Foundation training within local churches or across the circuit. Local church safeguarding officers have also been making sure that those who hire our premises are compliant with safeguarding policy and practice.

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 2023

Financial Review

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

For the first time since the beginning of the Covid-19 pandemic all churches were able to meet their assessment payments for the year ended 31 August 2023 in full, reflecting improvements in local churches' Sunday offering and letting incomes.

At the end of the previous financial year the circuit's lay pastor retired and in view of the impact of the pandemic on local church finances a replacement staff member was not recruited at the time although the circuit meeting has since carried out a review of the circuit's staffing during the financial year and approved an application for a deacon to be stationed in the circuit with effect from 1 September 2024.

In the previous financial year the circuit had incurred over £52,000 on repair costs to manses in preparation for the arrival of two new circuit ministers in September 2022 and to enable a vacant manse not currently used to house a staff member to be re-let.

As a consequence of the improved income position and reduced staffing and property repair costs in the year ended 31 August 2023 the circuit's financial resources increased by £43,519 in the year ended 31 August 2023 (2022: decrease of £64,694) and the circuit's net current assets increased from £128,675 at the beginning of the year to £172,194 at year end, of which £71,868 (2022: £57,640) represents general reserves.

The circuit anticipates that churches will be able to meet future assessment payments in full, and therefore expects its financial performance to be stable over the 2023-26 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 7.73 months (2022: 4.58) expenditure, which is in excess of the stated policy of general reserves of at least six months expenditure. Looking forward, the circuit is confident that for the foreseeable future total reserves will remain at an adequate level.

Croydon Methodist Circuit

Trustees Annual Report for the year ended 31 August 2023

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 53 trustees as at 30 June 2023 (2022: 61). 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 2023

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

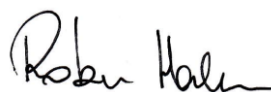
Trustees Annual Report For the year ended 31 August 2023

Approvals

The Trustees' Annual Report was approved by the Trustees and signed on their behalf on 27 June 2024
by:



Rev Richard Lowson



Robin Haslam

Statement of Financial Activities (SOFA) for the year ended 31 August 2023

	Note	2022 - 23 Unrestricted Funds	2022 - 23 Restricted Funds	Total	2021-22 Unrestricted Funds	2021-22 Restricted Funds	Total
		£	£	£	£	£	£
Income							
Donations	3	0	2,186	2,186	100		100
Charitable activities							
Assessments on churches	5	236,303		236,303	250,555		250,555
Grants receivable	6	0		0	0		0
Letting income	4	68,800		68,800	20,500		20,500
Total from charitable activities		305,103		305,103	271,055		271,055
Other							
Income from Monetary Investments		3,938		3,938	748		748
Total income		309,041	2,186	311,227	271,903		271,903
Expenditure							
Expenditure on activities							
Grants and donations payable	7	0	1,600	1,600	0		0
Salaries and associated costs	8	142,155		142,155	166,354		166,354
Property	9	40,621		40,621	92,094		92,094
District Assessment & Levy	10	66,834		66,834	69,997		69,997
Other outgoings	11	16,498		16,498	8,152		8,152
Total charitable expenditure		266,108	1,600	267,708	336,597		336,597
Net income/(expenditure) before investment gains/losses		42,933	586	43,519	(64,694)		(64,694)
Gains or Losses on property revaluations				0			0
Net (expenditure)/income before transfers		42,933		43,519	(64,694)		(64,694)
Transfers between funds	21						
Net movement in funds		42,933	586	43,519	(64,694)		(64,694)
Reconciliation of funds							
Total funds brought forward		2,291,523	0	2,291,523	2,356,217		2,356,217
Total funds carried forward		2,334,456	586	2,335,042	2,291,523		2,291,523

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

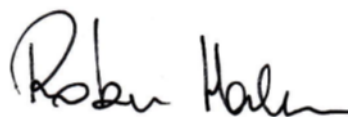
Balance Sheet as at 31 August 2023

	Note	General Fund: Unrestricted	Circuit Model Trust: Unrestricted	Restricted Funds	Totals 2023	Totals 2022
		£	£	£	£	£
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	10,845			10,845	27,254
Investments with TMCP	16		99,740		99,740	106,673
Central Finance Board Deposits	17	58,210			58,210	49,594
Cash at Bank and in hand	17	29,061		586	29,647	9,604
Total current assets		98,116	99,740	586	198,442	193,125
Current Liabilities						
Creditors (due in under 1 year)	18	26,248			26,248	64,450
Total current liabilities		26,248			26,248	64,450
Net current assets		71,868	99,740	586	172,194	128,675
Total assets less current liabilities		2,234,716	99,740	586	2,335,042	2,291,523
Long Term Liabilities (due after more than one year)	19				0	0
Net assets		2,234,716	99,740	586	2,335,042	2,291,523
Funds of the Circuit						
General Fund (Unrestricted)	20.1	2,234,716			2,234,716	2,184,850
Circuit Model Trust Fund (Unrestricted)	20.2		99,740		99,740	106,673
Total Unrestricted Funds		2,234,716	99,740		2,334,456	2,291,523
Restricted Funds				586	586	0
Total Funds		2,234,716	99,740	586	2,355,042	2,291,523

The financial statements were approved by the Trustees and were signed on their behalf on 27 June 2024 by:



Rev Richard Lowson



Robin Haslam

Croydon Methodist Circuit

Notes to the financial statements for the year ended 31 August 2023

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 2023

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 2023

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

	Unrestricted	Restricted	Total	2022
Donations	-	2,186	2,186	100

4. Income from other trading activities

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

	Unrestricted	Restricted	Total	2022
Huntingfield	10,000		10,000	-
Pollards Hill East	36,000		36,000	11,000
Southern Avenue	22,800		22,800	9,500
Total	68,800		68,800	20,500

Croydon Methodist Circuit

Notes to the financial statements for the year ended 31 August 2023

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.

	Unrestricted	Restricted	Total	2022
Addington	20,266		20,266	22,532
Christ Church	33,955		33,955	39,288
Downsview	28,385		28,385	33,076
Norbury	14,509		14,509	6,787
Parchmore	26,508		26,508	27,616
Shirley	49,054		49,054	54,148
South Norwood	22,426		22,426	26,108
West Croydon	41,200		41,200	41,000
Total	236,303		236,303	250,555

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

6. Grants receivable

No grants were received in 2023 or 2022.

7. Grants and donations payable

Total grants of £1,600 (2022: £Nil) were made from the Shared Warmth Fund to assist individuals with energy costs.

8. Salaries and associated costs

Stipends were paid to 3 presbyters in the year (2022: 3 presbyters), and salaries paid to 1 lay workers (2022: 2 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 2023

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

	2022 – 23	2021 – 22
	£	£
Gross stipends and salaries	96,850	122,734
Employer's National Insurance contributions	7,989	12,148
Employer's pension contributions to defined benefit and contribution schemes	22,738	23,510
Travel expenses	1,235	1,910
Total key management personnel costs	128,812	160,302
Fees paid to supernumerary ministers	1,575	1,300
Communications and other expenses	3,206	3,921
Computers for Ministry	528	513
Ministers training	287	318
Removal expenses	7,747	0
Total salaries and associated costs	142,155	166,354

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

	Administration	Total	2021 - 22
Gross salaries	17,545	17,545	42,680
Employer's national insurance	1,181	1,181	3,547
Pension contributions	1,053	1,053	2,560
Travel expenses	65	65	798
	19,844	19,844	49,585

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 2023

9. Property costs

The circuit is Managing Trustee for 7 manses, 4 of which were occupied during the year by presbyters or lay staff serving in the Circuit. Three manses, Huntingfield, Pollards Hill East and Southern Avenue were let on an Assured Shorthold Tenancies. With the exception of the let manses, 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.

	2022 – 23	2021 – 22
	£	£
Maintenance -		
Barnfield Avenue	2,299	11,371
Norbury Avenue	751	20,777
The Manse, Huntingfield	9,283	3,271
Pollards Hill East	2,973	23,057
Sefton Road	606	470
Southern Avenue	75	8,290
Letting agents' fees	7,693	2,717
Council Tax	9,571	13,407
Water charges	963	1,422
Insurance	3,983	4,812
Survey fees	2,424	2,500
Total	40,621	92,094

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.

	Unrestricted	Restricted	Total	2022
Methodist Church Fund (MCF)	51,514		51,514	57,166
District Expenses	12,182		12,182	8,158
Levy on CMTF funds	3,138		3,138	4,673
Total	66,834		66,834	69,997

11. Other outgoings

	Unrestricted	Restricted	Total	2022
Circuit office	1,986		1,986	1,088
Resources	2,036		2,036	2,279
Payroll admin cost	480		480	480
Independent examiner's fees	1,554		1,554	1,218
Miscellaneous	10,442		10,442	3,087
Total	16,498		16,498	8,152

Croydon Methodist Circuit

Notes to the financial statements for the year ended 31 August 2023

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 £1,554 (2022: £1,218) 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 2023

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.

	2022 – 23	2021 – 22
	£	£
Trade debtors		
Circuit assessments (net of provisions of £54,476 (2022: £58,328))	0	10,000
Prepayments and accrued income	10,845	17,254
Total (net)	10,845	27,254

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

	2023	2022
	£	£
Creditors and accruals		
Trade Creditors	0	0
Accruals and deferred income	64,450	64,450
Total	64,450	64,450

Maturity analysis of basic financial instruments

	Accrued at 01-Sep-22	Paid in year	Accrual made in year	Accrued at 31-Aug-23
Trade creditors				
Trade Creditors	0	0	0	0
Accruals	64,450	(64,450)	26,248	26,248
Total	64,450	(64,450)	26,248	26,248

It is expected that all sums accrued at 31 August 2023 will be paid during the year to 31 August 2024.

Croydon Methodist Circuit

Notes to the financial statements for the year ended 31 August 2023

19. Long Term Liabilities

The Circuit has no long term liabilities as at 31 August 2023 (2022: £Nil)

20. Unrestricted Funds

20.1 General Fund – balance £2,234,716 at 31 August 2023 (2022: £2,184,850)

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 £99,740 at 31 August 2023 (2022: £106,673)

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-22 £	Income £	Expenditure £	Transfers £	Balance at 31-Aug-23 £
General Fund	2,184,850	305,836	(262,970)	7,000	2,234,716
Model Trust Fund	106,673	3,205	(3,138)	(7,000)	99,740
Shared Warmth Fund		2,186	(1,600)		586
Total Funds	2,291,523	311,227	(267,708)	0	2,335,042

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

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 2023

23. Capital commitments and contingent liabilities

There were no capital commitments at the year end (2022: £nil). The circuit had contingent liabilities of £7,000 at the year end (2022: £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 2023 set out on pages 11 to 23.

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: 27 June 2024