

CANTERBURY AND EAST KENT METHODIST CIRCUIT
(Charity Registration No. 1132654)

FINANCIAL STATEMENTS

For the year ending 31 August 2020

CANTERBURY AND EAST KENT METHODIST CIRCUIT

Trustees' Annual Report

Introduction

Our calling is to share the Gospel of Jesus Christ by encouraging, resourcing and enabling the people and churches of the Circuit to serve their communities and the wider world.

The Circuit came into being in September 2014, and was formed from the merger of three Circuits (Canterbury & Coastal, Thanet, and Dover and Deal Methodist Circuits). The new Circuit now comprises of churches covering the north east corner of Kent from beyond Faversham in North West down to Dover in the South East, including Methodist/URC and Methodist/Anglican partnerships. The Circuit also includes two Methodist Foundation Primary Schools and two independent Methodist schools, Kent College Canterbury and Lorenden. We also include Bradbury Grange MHA home.

Covering such a large and diverse area presents many challenges, but also many more opportunities. Canterbury is also home to three universities and its population is swelled by over 30,000 Students each year. The Circuit therefore has appointed a Deacon whose main ministry is to specially work with the Student Community.

We believe the Methodist Circuit encourages us to look beyond our individual congregations to give strength and mutual support to our large and small congregations alike, as we seek to embody the values of God's Kingdom and witness to the good news of Jesus Christ in the world.

Aims and organisation

Proclaiming the Gospel of Christ's Love through Joyful Worship, Action in Service, and Life in Discipleship.

Brief financial review of the year

The circuit continues to bring together the three former circuits and to reshape for mission.

The finances of the circuit are in deficit but work continues to bring the accounts back into balance with meetings of the church treasurers.

Income trends

Circuit income is primarily drawn from the assessment paid by the circuit churches.

The rental income relates to the rental of a manse at Herne Bay together with a District Grant and funds from the Circuit Model Trust

Expenditure trends

Stipend expenditure has increased each financial year in line with conference approved increases.

13.5% of expenditure is the Circuit contribution to the District and Connexion, of which a significant part is used to fund the work of the wider Methodist Church.

The other expenditure includes expenses on the ministers manses reference both capital and maintenance.

Fund balances

As at 31 August 2020 the net current assets of the Circuit were £165,699 (2019 : £263,381), giving approximately 6 months cover for expenditure.

Plans for 2020/21

Circuit financial plans for the coming year have been prepared on the basis that there remains 5 full time Presbyters, 2 Deacons and 1.5 presbyters from other denominations with anticipated cost of living stipend increases combined with an increase in the assessment paid to the district. Circuit Churches are indicating that they will have difficulty in increasing their assessment. However discussions have started in order to address the shortfall in income of reduce the expenditure.

Basis of preparation and legal framework

The Charity's annual report and accounts for the year ended 31 August 2020 have been prepared in accordance with the Charities Act 2011 and the Charities: Statement of Recommended Practice 2015 as applicable to the Financial Reporting Standard (FRS) 102

Full Name of Charity: Canterbury and East Kent Methodist Circuit
Registration Charity Number: 1132654
Date of registration : 11 November 2009.
Main communication address : Circuit Office , St Peter's Methodist Church, St Peter's Street, Canterbury, CT1 2BE

The members of the Canterbury and East Kent Methodist Circuit meeting are the Charity Trustees, membership being made up of circuit office holders, ministers and representatives appointed by the local churches.
Fully membership is shown as Appendix A to this report.

Circuit Ministers

Rev. Emmanuel Aggrey-Ogoe (Superintendent)
Rev. Dr Paul Glass Revd Stephen Skinner
Rev. Colin Telfer
Rev. Timothy Nicholls
Rev. Miriam Moul
Deacon Joy Everingham
Deacon Michelle Legumi
Rev. Peter Cornish (Rector & Authorised Methodist Minister)
Rev. Martin Belgrove (URC)

Circuit Stewards

Mr. Neil Dobson (Senior Steward)
Mr. Peter Bartlett
Mrs. Linda Bevertton
Mrs. Jenny Bolton
Mrs. Angela Pilgrim
Mr. Michael Baybutt (Circuit Treasurer)

Administrator

Mrs. Tracey Yates

Independent examiner

Claire Dean FCCA
MMP Ltd
64 High Street
Broadstairs CT10 1JT

Investment Bankers

Central Finance Board of the Methodist Church
9 Bonhill Street
London
EC2A 4PE

CANTERBURY AND EAST KENT METHODIST CIRCUIT

Trustees' Annual Report Cont...

Aims and organisation

Charity objective is to act as a Resource provider within the area around East Kent. for the Methodist Church:

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

- a) The Christian faith in accordance with the doctrinal standards and 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 to The Methodist Church

The organisation and resourcing of regular public acts of worship open to members of the church and non members alike.

The teaching of Christianity through sermons, courses and small groups.

The resourcing of pastoral work including visiting the sick and bereaved.

Taking religious assemblies in local schools.

Promotion of Christianity through the staging of events and services.

Provision of chaplaincy services to the local university and other institutions.

Public Benefit

We confirm the trustees have had regard to the Charity Commission's guidance on public benefit.

Structure, Governance and Management

The governing document for the circuit is the Deed of Union (1932) and 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).

Day to day management of the circuit is undertaken by the Circuit Leadership team along with the Local Preachers meeting, the Circuit Finance and Property Committee

Trustee Training

A range of guidance produced by Methodist Connexion to support the effective running of the circuit , specifically the leaflet 'The Role of a Trustee in The Methodist Church' is given to all new Circuit meeting members as induction to their role as trustees.

Related Parties

The Circuit is part of the South East District and is also accountable to the Methodist Conference.

The following Methodist Churches are linked to the circuit

BIRCHINGTON.
BROADSTAIRS.
CANTERBURY, ST. PETER'S.
CHALLOCK
DEAL TRINITY
DOVER, THE BEACON
DOVER - RIVER
FAVERSHAM UNITED
GARLINGE
GREENSTREET
HERNE BAY, UNITED CHURCH
MARGATE, UNION CHURCH
MARSHSIDE
MONKTON
OLD WIVES LEES
RAMSGATE, hARDRES STREET
STURRY & DISTRICT, UNITED CHURCH
WHITSTABLE, ST JOHN'S

Risk Management

The major risks have been identified and recorded by the Circuit Finance and Property Committee with professional advice taken as required.

There is a regular annual review process undertaken and recorded.

Income and Expenditure is being monitored in total and is compared with the approved annual budget on a half yearly basis to detect trends as part of the risk management process to avoid unforeseen calls on reserves.

Safeguarding

Every person has a value and dignity which comes directly from the creation of male and female in God's own image and likeness. Christians see this potential as fulfilled by God's re-creation of us in Christ. Among other things this implies a duty to value all people as bearing the image of God and therefore to protect them from harm.

Methodist Connexional practice outlines commitment to the following principles:

- the care and nurture of, and respectful pastoral ministry with, all children, young people and adults
- the safeguarding and protection of all children, young people and adults when they are vulnerable
- the establishing of safe, caring communities which provide a loving environment where there is informed vigilance as to the dangers of abuse.
- We will carefully select and train all those with any responsibility within the Church, in line with Safer Recruitment principles, including the use of criminal records disclosures and registration with the relevant vetting and barring schemes.
- We will respond without delay to every complaint made which suggests that an adult, child or young person may have been harmed, cooperating with the police and local authority in any investigation.
- We will seek to work with anyone who has suffered abuse, developing with them an appropriate ministry of informed pastoral care.
- We will seek to challenge any abuse of power, especially by anyone in a position of trust.
- We will seek to offer pastoral care and support, including supervision and referral to the proper authorities, to any member of our church community known to have offended against a child, young person or vulnerable adult.
- In all these principles we will follow legislation, guidance and recognised good practice

The Canterbury and East Kent Circuit commits itself to ensuring the implementation of Connexional Safeguarding Policy; government legislation, guidance and safe practice in the circuit and in the churches.

The Canterbury and East Kent 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.

Reserves Policy

The Reserves Policy for the Circuit is to hold a minimum sum equivalent to 6 months' average expenditure. This should be sufficient to meet any unforeseen item of major expenditure on manes and / or to be able to continue, in the short term, funding planned activities in the event of any inability to raise the full Circuit Assessment from churches.

CANTERBURY AND EAST KENT METHODIST CIRCUIT

Trustees' Annual Report Cont...

SCHEDULE A

Circuit Ministers

Rev. Emmanuel Aggrey-Ogoe (Superintendent)
Rev. Dr. Paul Glass
Rev. Colin Telfer
Rev. Timothy Nicholls
Rev. Miriam Moul
Deacon Joy Everingham
Deacon Michelle Legumi
Rev. Peter Cornish (Rector & Authorised Methodist Minister)
Rev. Martin Belgrove (URC)

Supernumerary Ministers

Rev. Canon Malcolm Cooper
Rev. Chris Esgate
Rev. Jeanette Lambrick
Rev. John Lines
Rev. Roger North
Rev. Malcolm Peach
Rev. Canon Harvey Richardson

Circuit Links

Angela & Graham Gibbens (OWL)
Phil & Christine Reynolds (Marshside)

Lay Employees

Circuit Administrator	Mrs. Tracy Yates
Assistant Circuit Administrator	Mrs. Marjorie Dobson

Circuit Officers

Circuit Stewards

Mr. Neil Dobson (Senior Steward)
Mr. Peter Bartlett
Mrs. Linda Beverton
Mrs. Jenny Bolton
Mrs. Angela Pilgrim
Mr. Michael Baybutt (Circuit Treasurer)

Circuit Meeting Minute Secretary

Mr. John Lines, assisted by Mrs. Jenny Bolton

Circuit Treasurer

Mr. Michael Baybutt

Connexional Funds Treasurer

Mr. Peter Booth

Circuit Property Secretary

Mr. Douglas Bush

Circuit Safeguarding Officer

Mrs. Sue Boulden

Education

Rev. Dr. Paul Glass

Representative for Synod

Mr. Neil Dobson (ex officio)
Mrs. Linda Beverton
Mrs. Sue Boulden
Mrs. Marjory Dobson
Mrs. Angela Pilgrim

Local Preachers' Secretary

Mrs. Christine Barker

Manses Secretary

Methodist Women in Britain

Mrs. Marjory Dobson

All We Can

Rev. Roger North

JMA

Mrs. Ruth Denton

Action for Children

Mrs. Sue Dagleish and Mrs. Ruth Denton

Methodist Homes

Mrs. Jean Hall, Mrs. Anne Cattoor (Bradbury Grange)

Social Responsibility

Rev. Canon Malcolm Cooper

Invitations Committee

Circuit Stewards

World Missions Secretary/Representative

Mrs. Marjory Dobson

BIRCHINGTON.

Steward	Susan Dalglish.
Representatives	Christine Barker, David Dunkerley.
(NB Birchington's treasurer does not attend meetings, hence two representatives.)	

BROADSTAIRS.

Steward	Carl Morris
Treasurer	Neil Dobson.
Representatives	Janet Pitt

CANTERBURY, ST. PETER'S

Steward	Margaret Anderson.
Treasurer:	James McCrea
Representatives	Helen Brown, Kaye Merrywest, Brian Stocker

CHALLOCK

Treasurer	Beryl Nason
Representative	Pat Feddon

DEAL TRINITY

Steward	Daphne Tutton.
Treasurer	Ruth Pascoe.
Representative	Val Newman.

DOVER, THE BEACON

Steward	Viv Leggatt
Treasurer	Rodney Friend
Representative	Issy Bailey

DOVER - RIVER

Steward	Helen Dear
Treasurer	Derek Leach.
Representative	Jane Walker

CANTERBURY AND EAST KENT METHODIST CIRCUIT

Trustees' Annual Report Cont...

FAVERSHAM UNITED

Steward/Elder
Treasurer
Representative

Ron Trivasse
Roger Berryman
Reg Barnes

GARLINGE

Steward
Treasurer
Representative

Monica Harrison
Dennis Jarvis.
Wendy Miller.

GREENSTREET

Acting Treasurer

Roger Berryman (From Faversham.)

HERNE BAY, UNITED CHURCH

Steward
Treasurer
Representatives

John Nicholson
Michele Nicholson
Barbara Hammerton

MARGATE, UNION CHURCH

Steward
Treasurer
Representative

Pat Stringer.
Andrew Ogden
Bob Buchanan

MARSHSIDE

Steward
Treasurer
Representative

Ronald Nicholls.
Andrew Marchetti.
Anthony Russell

MONKTON

Steward
Treasurer
Representative

Robert Hood
Peter Mitchell

OLD WIVES LEES

Steward
Treasurer

Peter Bartlett
Mary Bartlett

RAMSGATE, HARDRES STREET

Steward
Treasurer
Representative

Margaret Bevan.
Jackie Howe.

STURRY & DISTRICT, UNITED CHURCH

Churchwarden
Treasurer
Representatives

Anne Stevenson
Andrew Webster
Martin and Angela Pilgrim

WHITSTABLESt. JOHN'S

Steward
Treasurer
Representative

Michael Baybutt.
Graham Godley
Angela Pomeroy

CANTERBURY AND EAST KENT METHODIST CIRCUIT

Circuit No : 36/27

Statement of Financial Activities (SOFA) for the year ended 31 August 2020

Notes	Unrestricted Funds			Restricted & Endowment Funds		Total 2019-20	Total 2018-19
	General	Circuit Model Trust	Designated	Restricted	Endowment		
	£	£	£	£	£	£	£
Income and Endowments							
1 Donations and legacies						0	0
2 Income from monetary investments	309	827		347	1,247	2,730	3,893
3 Income from investment properties	3,696					3,696	9,805
4 Assessments on Churches	341,771					341,771	351,223
5 Capital Receipts						0	0
6 Grants received	13,138					13,138	20,000
7 Other charitable income	93,973					93,973	86,113
8 Total income	452,887	827	0	347	1,247	455,308	471,034
Expenditure							
9 Grants and donations	55,380			113	527	56,020	38,983
10 Salaries and associated costs	339,823					339,823	356,822
11 Property	67,759					67,759	48,491
12 Office expenses	20,218	214		71	219	20,722	7,943
13 District Assessment & Levy	79,582	2,839				82,421	84,528
14 Depreciation	828					828	0
15 Other outgoings	3,760					3,760	11,760
16 Total charitable expenditure	567,350	3,053	0	183	746	571,332	548,527
17 Net Income before investment gains/losses	-114,463	-2,226	0	163	501	-116,025	-77,493
19 Gains/(losses) on monetary investments		-25		-68	-481	-574	388
20 Gains/(losses) on property disposals/revaluations	69,929					69,929	293,341
21 Net incoming/(outgoing) resources before transfers	-44,534	-2,251	0	96	20	-46,669	216,236
22 Transfers between funds	40,168	-40,000		-168		0	0
23 Reclassification of funds							
24 Other gains/(losses)							
25 Net movement in funds	-4,366	-42,251	0	-72	20	-46,669	216,236
26 Total funds brought forward	2,394,923	106,787	0	35,358	109,581	2,646,649	2,430,413
27 Total funds carried forward	2,390,557	64,536	0	35,286	109,601	2,599,981	2,646,649

Balance Sheet as at 31 August 2020

Notes		Unrestricted Funds			Restricted & Endowment Funds		Total 2019	Totals 2018
		General	Circuit Model Trust	Designated	Restricted	Endowment		
							£	£
Fixed Assets								
Circuit Manses & Equipment	BS1	2,062,615					2,062,615	2,000,946
Investment properties	BS1	340,534					340,534	330,618
Investments	BS2		578		3,764	26,790	31,132	31,704
Total fixed assets		2,403,149	578	0	3,764	26,790	2,434,281	2,363,268
Current Assets								
Debtors	BS3	57,450					57,450	60,505
Loans by the Circuit							0	0
Investments with TMCP	BS2		63,958		31,522	82,811	178,291	220,022
Central Finance Board Deposits	BS4	38,098					38,098	94,922
Cash at Bank and in hand	BS4	8,124					8,124	12,914
Total current assets		103,672	63,958	0	31,522	82,811	281,963	388,363
Current liabilities								
Creditors (due in under 1 year)	BS5	116,265					116,265	104,982
Grants payable within 2017-18							0	0
Total current liabilities		116,265	0	0	0	0	116,265	104,982
Net current assets/(liabilities)		-12,592	63,958	0	31,522	82,811	165,699	283,381
Total assets less current liabilities		2,390,557	64,536	0	35,286	109,601	2,599,980	2,646,649
Long term liabilities (due after more than one year)								
Grants payable after 2017-18							0	0
Loans to the Circuit							0	0
Net assets		2,390,557	64,536	0	35,286	109,601	2,599,980	2,646,649
Funds of the Circuit								
General Fund (Unrestricted)	BS6.1	2,390,557						
Circuit Model Trust Fund (Unrestricted)	BS6.2		64,536					
Designated Funds (Unrestricted)				0				
Total Unrestricted Funds							2,455,093	2,501,710
Restricted Funds	BS7				35,286		35,286	35,358
Endowment Funds	BS7					109,601	109,601	109,581
Total Funds		2,390,557	64,536	0	35,286	109,601	2,599,980	2,646,649

CANTERBURY AND EAST KENT METHODIST CIRCUIT

Notes to the financial statements for the year ending 31 August 2020

1 Basis of accounting and accounting policies

i Accounting framework

The financial statements have been prepared under the Charities Act 2011 in accordance with the 2014 version of *Accounting and Reporting by Charities: Statement of Recommended Practice (SORP)* applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective from 1 January 2015) – (the Charities SORP (FRS 102) as amended by Update Bulletin 1) – in replacement for the SORP's 2005 version specified in its related 2008 Regulations and in accordance with the “true and fair override” provision contained therein.

ii Public benefit entity

The Canterbury and East Kent Methodist Circuit meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s) below.

iii Basis

These accounts have been prepared on the basis of historical cost except that investments are shown at their market value at the end of the year, on the accruals basis to show a true and fair view of the Circuits financial position and activities.

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 FRS102 SORP2015 [applies to 2016-17 onwards]

These accounts are compliant with FRS102 and with the FRS102 SORP 2015.

vi Going concern

Based on the monetary assets and human resources available at 31 August 2020, the trustees believe that the Circuit is a going concern.

vii Consolidation

The Circuit has denominational regulatory oversight in respect of the work of the Churches within the Circuit but has no legal operational control of those Churches and their governing bodies except in extreme circumstances. For this reason, the financial statements of the Churches within the Circuit are not consolidated into these financial statements.

CANTERBURY AND EAST KENT METHODIST CIRCUIT

Notes to the financial statements for the year ending 31 August 2020

Cont...

viii Income recognition

Income is brought into account when there is entitlement and the amount is reliably measurable once it is more likely than not that the economic benefit of the income will be forthcoming.

Individual amounts categorised as *Other income* in the SOFA will be shown separately if they are considered material.

The Circuit acts as agent in two matters:

- the collection from churches and payments over of their contributions to various Funds controlled and administered by The Methodist Church - "Connexional Funds"
- The administration (application, collection and distribution) of grants requested by Churches within the Circuit from, but not limited to, the District and Connexion.

In all these matters the transactions are not reflected in the SOFA because they are the income of either the Connexion or Churches as appropriate.

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

ix Expenditure

This is recognised when a liability is incurred, or a constructive obligation arises, where the amount is reliably measurable and it is considered more likely than not that there will be an outflow of economic benefit.

x Grants

Grants are recognised in full when the award is made once the District accepts that there is a legal or constructive obligation to make the payment and that such payment is probable. When the grant is recurrent over more than one year the balance payable in future years is treated as a provision 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 original terms agreed.

xi VAT

Since the Circuit is not VAT registered, all input VAT is charged with the expenses to which it refers.

xii Tangible fixed assets

These are capitalised if they can be used for more than one year, and individually cost at least £1,000. The freehold property is shown in the accounts at deemed historical cost representing each property's gross carrying value as at 31 August 2020, being that property's insurance value in 2019. No depreciation is provided on the buildings because the trustees consider the current residual fair value of the manse buildings (on the assumption that it had reached the end of its useful economic life by the year-end) to be not less than its cost to date. Properties have been reviewed for impairment.

CANTERBURY AND EAST KENT METHODIST CIRCUIT

Notes to the financial statements for the year ending 31 August 2020

Cont...

xiii Monetary Investments

The Circuit's investments are in monetary assets classified as basic financial instruments under FRS102 and are held by the Trustees for Methodist Church Purposes (TMCP) as custodian trustees. The valuations, at market value, are those provided by TMCP. The unrealised gains arising on investments at the end of the year are shown in the SOFA.

xiv Investment Property

From time to time the Circuit may hold residential property (formerly manse) which is surplus to its normal staffing requirements. Where this is the case and it is anticipated that the property is unlikely to be used as a manse for a period of two years, the property is classified as Investment Property (whether let or not) and any lets are at market rates unless there is a compelling reason not to do so in furtherance of the circuit's charitable objectives.

xv 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 the 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 the realisable values.

xvi Methodist Church Fund

The Methodist Church Connexion raises assessments on Circuits and these are paid quarterly to their Districts. The Circuits raise assessments against Churches in the Circuit. The District quarterly remits to The Methodist Church Fund most of the sum received from Circuits. A small sum is retained by the District to meet its own costs. The Circuit may act as agent for ad hoc collections for various funds controlled and administered by The Methodist Church.

xvii 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, water charges and telephone costs. These figures are not separately disclosed as benefits-in-kind as HMRC does not seek to tax these receipts in the hands of ministers.

CANTERBURY AND EAST KENT METHODIST CIRCUIT

Notes to the financial statements for the year ending 31 August 2020

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

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

DAF: District Advance Fund

DPC: District Policy Committee

FRS: Financial Reporting Standard

MCF: Methodist Church Fund

MMPS: Methodist Ministers' Pension Scheme

PASLEMC: Pensions and Assurance Scheme for Lay Employees of the Methodist Church

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

CANTERBURY AND EAST KENT METHODIST CIRCUIT

Notes to the financial statements for the year ending 31 August 2020

3 Income from Investment Property

The trustees have determined that the property listed below is unlikely to be returned as a manse in the foreseeable future and have therefore classified the same as an investment property. Letting income is shown gross of fees and commissions.

	General	CMTF	Desig	Restricted	Endow	Total	2019
Letting Income:							
80 Linden Avenue, Herne Bay	3,696					3,696	9,805
Totals	3,696	0	0	0	0	3,696	9,805

4 Assessments on Churches

The Circuit comprises 16 churches and each is assessed for a contribution to meet the overall net costs of the Circuit. In making it's Assessment budgeted income from investment income (including property letting) and confirmed external grants is taken into account. The Circuit aims to cover all it's net costs from the Assessment.

An Assessment on Churches is annually determined by the Circuit using a formulaic method which takes into account the relative number of members in each church and its relative income (after deduction of certain actual and notional expenses).

Assessments on churches are quarterly in advance and are treated as pre-payments on a receivable basis. If any church has not paid its assessment by the due date the sum in question is also treated as a creditor. Such cases are detailed in Notes BS3 and BS6.

Church	General	CMTF	Desig	Restricted	Endow	Total	2019
St. Peters Canterbury	90,948					90,948	90,948
Challock	3,348					3,348	2,748
Faversham	28,649					28,649	15,363
Old Wives Lees	2,850					2,850	2,720
St. Johns	30,000					30,000	34,000
Marshside	2,000					2,000	2,000
Herne Bay	9,500					9,500	19,000
Birchington	9,448					9,448	8,912
Garlinge	0					0	13,846
Margate	23,100					23,100	13,200
Hardres Street	33,288					33,288	24,054
Broadstairs	20,000					20,000	20,010
Monkton	0					0	1,900
Deal	12,000					12,000	26,682
Dover -Beacon	34,104					34,104	34,104
River	41,736					41,736	41,736
Whistable - URC	800					800	0
Totals	341,771	0	0	0	0	341,771	351,223

CANTERBURY AND EAST KENT METHODIST CIRCUIT

Notes to the financial statements for the year ending 31 August 2020

5 Grants Receivable

Circuit Mission Enabler	General	CMTF	Desig	Restricted	Endow	Total	2019
District advance - Deacon	10,000					10,000	20,000
Raymon Cook Trust						0	0
Government grants - furlough	3,138					3,138	0
Totals	13,138	0	0	0	0	13,138	20,000

6 Other Income

	General	CMTF	Desig	Restricted	Endow	Total	2019
Payments for salaries:							
St. Peter's	17,081					17,081	21,437
Faversham						0	5,146
Whitstable	15,246					15,246	11,640
Ramsgate	16,659					16,659	38,797
Margate	33,982					33,982	38,798
Misc	1,785					1,785	6,549
Whitstable - organ						0	2,544
Thanet circuit residual funds	4,220					4,220	0
Donations	5,000					5,000	0
Totals	93,973	0	0	0	0	93,973	124,911

CANTERBURY AND EAST KENT METHODIST CIRCUIT

Notes to the financial statements for the year ending 31 August 2020

7 Grants & Donations

Grants and donations as listed below were agreed and/or made during the year. Where a grant has been made from the Circuit Model Trust Fund, Restricted or Endowment Funds and the grant monies are for use within the Circuit they are treated as a transfer between Funds. The tables below (one for each fund type) detail the new grants agreed and paid over this year, this years instalment of grants agreed in prior years and the future instalments of grants to be paid.

Grantee Donee	This Year New				General					
	Agreed	Paid External	Paid Internal Tfr	Carried forward	Unpaid b/fwd	Piad this year Ext	Paid Internal Tfr	Carried forward	Total Paid Ext	Total Paid Int Tfr
United Reformed Church						55,380			55,380	
Totals	0	0	0	0	0	55,380	0	0	55,380	0

Grantee Donee	This Year New				Circuit Model Trust					
	Agreed	Paid External	Paid Internal Tfr	Carried forward	Unpaid b/fwd	Piad this year Ext	Paid Internal Tfr	Carried forward	Total Paid Ext	Total Paid Int Tfr
Totals	0	0	0	0	0	0	0	0	0	0

Grantee Donee	This Year New				Designated					
	Agreed	Paid External	Paid Internal Tfr	Carried forward	Unpaid b/fwd	Piad this year Ext	Paid Internal Tfr	Carried forward	Total Paid Ext	Total Paid Int Tfr
Totals	0	0	0	0	0	0	0	0	0	0

Grantee Donee	This Year New				Restricted					
	Agreed	Paid External	Paid Internal Tfr	Carried forward	Unpaid b/fwd	Piad this year Ext	Paid Internal Tfr	Carried forward	Total Paid Ext	Total Paid Int Tfr
Circuit Churches										
Thanet							68			68
Deal & Dover							45			45
Totals	0	0	0	0	0	0	113	0	0	113

Grantee Donee	This Year New				Endowment					
	Agreed	Paid External	Paid Internal Tfr	Carried forward	Unpaid b/fwd	Piad this year Ext	Paid Internal Tfr	Carried forward	Total Paid Ext	Total Paid Int Tfr
Circuit Churches										
Thanet							65			65
Deal & Dover							462			462
Totals	0	0	0	0	0	0	527	0	0	527

CANTERBURY AND EAST KENT METHODIST CIRCUIT

Notes to the financial statements for the year ending 31 August 2020

8 Stipends and Salaries and Associated Costs

Ministers and Deacons	Full Time (9)	Part Time	General	CMTF	Desig	Restricted	Endow	Total
Stipends	175,860		175,860					175,860
Pension Fund Contribution	40,202		40,202					40,202
National Insurance	14,139		14,139					14,139
Travel	13,559		13,559					13,559
	243,759		243,759	0	0	0	0	243,759

Layworkers	Full Time (9)	Part Time	General	CMTF	Desig	Restricted	Endow	Total
Salary	82,968		82,968					82,968
Pension Fund Contribution	0		0					0
National Insurance	2,497		2,497					2,497
	85,465		85,465	0	0	0	0	85,465

Administration Staff	Full Time (1)	Part Time	General	CMTF	Desig	Restricted	Endow	Total
Salary	10,160		10,160					10,160
Pension Fund Contribution	0		0					0
National Insurance	439		439					439
	10,599		10,599	0	0	0	0	10,599

Stipends & Salaries Totals

339,823	0	0	0	0	339,823
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No employees received employee benefits of more than £60,000. There is no accrual for holiday pay as it is immaterial; the holiday years end on 31st August. All staff are paid at or above the living wage.

Whilst several lay workers are paid through the central payroll system of the Methodist Church, there expenditure is reimbursed by the appropriate church with one exception whose majority of pay is reimbursed by Faversham and Whitstable although the circuit is making a contribution towards these costs.

3 churches in the circuit, Faversham (Methodist), Herne Bay (URC) and Deal (Methodist) have URC ministers. Accordingly payments are made to the URC to cover Stipend costs and Misc expenses. The circuit also makes a contribution to the URC in respect of Rev Martin Belgrove for 75% stipend and expenses. Rev Alan Spence for 50% stipend and expenses. The circuit also pays the Diocese of Canterbury stipend expenses for Rev Peter Cornish and Sturry PCC for his expenses.

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, the terms 'employer' and 'employee' are used as they would be in an employing body. Other employees are not

CANTERBURY AND EAST KENT METHODIST CIRCUIT

Notes to the financial statements for the year ending 31 August 2020

8 Stipends and Salaries and Associated Costs Cont..

Cost of Superintendent, Presbyters and Trustees

The Superintendent of the Circuit, the other Presbyters and the remaining members of the CLT 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 stipends, employer's NIC and employer's pension contributions and other expenses of the Presbyters of the Circuit are paid by the Circuit.

The manses are provided by the Circuit and the Circuit maintains the property. The value of the Council Tax and water charges paid by the Circuit is not disclosed here as HMRC does not regard the as a benefit-in-kind in the hands of the minister.

Each Presbyter is entitled to a 3 month sabbatical every 5 years and the expenses incurred by the Presbyter are met by the Connexion with the Circuit continuing to pay the stipend. There have been no sabbatical during the year.

Payments to trustees

Fees and Expenses paid to Circuit Trustees during the period 1 September 2019 to 31 August 2020

Trustee	Expenses incurred and reimbursed	Travelling expenses reimbursed	Fees Paid	
Rev E Aggrey-Ogoe		2,406		
Rev M Cooper		956		
Rev P Glass		312		
Rev M Moul	901	3,646		
Rev M Peach		1,236		
Rev C Telfer		1,752		
Rev T Nicholls		2,025		
Rev R North	34	84		
Deacon J Everingham	32	2,201		
Deacon M Lugumi		1,682		
Mr M Baybutt	1,638	165		
Ms L Beverton		235		
Mrs M Dobson			1,200	
Totals	<u>2,605</u>	<u>16,700</u>	<u>1,200</u>	<u>20,505</u>

Notes Travelling expenses are at the rate stipulated by the Methodist Conference or the Circuit for cars and cycles if the actual cost of travel by other means including public transport

CANTERBURY AND EAST KENT METHODIST CIRCUIT

Notes to the financial statements for the year ending 31 August 2020

9 Property Expenses

The Circuit is Managing Trustee for 1 church and 8 manses 7 of which are occupied by ministers stationed in the Circuit. One manse (80 Linden Avenue) is let and is treated as an investment property.

Manses

	General	CMTF	Desig	Restricted	Endow	Total
Council Tax	17,151					17,151
Water charges	4,453					4,453
Insurance	6,619					6,619
Light and heat	687					687
Repairs	33,450					33,450
Whistable URC	5,400					5,400
Totals	67,759	0	0	0	0	67,759

Letting Expenses

	General	CMTF	Desig	Restricted	Endow	Total
Totals	0	0	0	0	0	0

Other property expenses

	General	CMTF	Desig	Restricted	Endow	Total
Totals	0	0	0	0	0	0

Property Totals

67,759	0	0	0	0	67,759
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CANTERBURY AND EAST KENT METHODIST CIRCUIT

Notes to the financial statements for the year ending 31 August 2020

10 Office & Administration costs

	General	CMTF	Desig	Restricted	Endow	Total
Printing, postage and stationery	3,275					3,275
Telephone	4,701					4,701
Bank charges	60					60
Administrator	1,200					1,200
Computer costs	2,209					2,209
Office expenses	1,799					1,799
Professional services	2,774					2,774
Independent examiners fee	4,200					4,200
TMCP admin/investment fees		214		71	219	504
Totals	20,218	214	0	71	219	20,722

11 District Assessment & Levy

The District Assessment is calculated relative to the proportion of church members and staffing (Presbyteries and Mission staff only) of all Circuits in the District. 50% of the overall cost is calculated using relative membership proportions and 50% using relative staffing proportions.

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

	General	CMTF	Desig	Restricted	Endow	Total
District Assessment	14,121					14,121
Methodist Church Fund (MCF)	65,461					65,461
Levy on CMTF Funds		2,839				2,839
						0
Totals	79,582	2,839	0	0	0	82,421

12 Other Outgoings

	General	CMTF	Desig	Restricted	Endow	Total
Preaching Fees	1,325					1,325
Quinquennial Inspections	580					580
Miscellaneous	1,855					1,855
Totals	3,760	0	0	0	0	3,760

13 Investment Management

During the year the Circuit paid TMCP, the custodians of the Circuit's investments (Circuit Model Trust Fund, Restricted and Endowment Funds) management charges based on 0.2% of the value of the individual funds at the beginning of the year.

Realised and Unrealised gains in the invested funds are listed below.

	General	CMTF	Desig	Restricted	Endow	Total
Circuit Model Trust		-25				-25
Collins Bequest 5081				-68		-68
Balch Bequest 5854					-49	-49
Cook Settlement Fund 8692					-432	-432
Totals	0	-25	0	-68	-481	-574

14 Property disposals/revaluations

In accordance with note 1.xiii(b) the property at 80 Linden Avenue has been reclassified as an investment property. The chapel at Whitehill was disposed of during the year.

CANTERBURY AND EAST KENT METHODIST CIRCUIT

Notes to the financial statements for the year ending 31 August 2020

BS1 Manses & Other Property

Buildings comprises of 6 manses located in Canterbury, Faversham, Whitstable, Deal, Dover and Thanet. Buildings also include a church located in Faversham (Whitehill).
Investment property is 1 manse located in Herne Bay

1.1 Cost or valuation

	Investment Properties	Land	Buildings	Plant, machinery and motor vehicles	Fixtures, fittings and equipment	Assets under construction	Total
	£	£	£	£	£	£	£
Balance brought forward	330,618	0	2,000,946	0	6,422	0	2,007,368
Additions in the year					2,483		2,483
Revaluations	9,916		60,013				60,013
Less: Disposals in the year							0
Transfers between categories							0
Balance carried forward	340,534	0	2,060,959	0	8,905	0	2,069,864

1.2 Accumulated depreciation and impairment provisions

Basis Rate						
	N/A	N/A	N/A	SL		
				3 years		

Balance brought forward	0	0	0	6,422	0	6,422
Depreciation charge for the year				827		827
Impairment provisions						
Revaluations						0
Disposals						0
Transfers						0
Balance carried forward	0	0	0	7,249	0	7,249

1.2 Net book value

Balance brought forward	330,618	0	2,000,946	0	0	0	2,000,946
Balance carried forward	340,534	0	2,060,959	0	1,656	0	2,062,615

Schedule of Manses, Investment property & Churches Closed for Worship

Property	Type	Value
79 Preston Park	Manse	281,641
23 South Canterbury Road	Manse	356,102
80 Linden Avenue	Investment	330,618
22 Hillview Road	Manse	269,394
134 Westbrook Avenue	Manse	372,006
89a Ramsgate Road	Manse	419,095
23 Riverdale	Manse	302,708
		2,331,564

CANTERBURY AND EAST KENT METHODIST CIRCUIT

Notes to the financial statements for the year ending 31 August 2020

BS2 Investment Assets (and Trustees for Methodist Church Purposes (TMCP))

The funds that support the Circuit Model Trust Fund and the Circuit's other funds (as listed below) are held by TMCP in Trustees Interest and/or Managed Equity Funds on which interest and dividends are credited to the accounts each month/quarter. 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.

2C100 - CFB Managed Mixed Fund
2C110 - Trustees Interest Fund

Price (£)
4.819
n/a

	CMTF 18669	Various Bequests 6859	Circuit Account 11817	Various Bequests 3088	Sale of Land 8031	Ashby Bequest 18169	Collins Bequest 5081	Restricted	Balch Bequest 5854	Flints Charity 1139	Cook Bequest 19409	Kidman Trust 5970	White Bequest 7873	Wilson Bequest 8031A	Cook Settlement Fund 8692	Endow	Total
	£	£	£	£	£	£	£		£	£	£	£	£	£	£		£
2C100 - No Units	125						795		580						5,079	6,454	6,579
2C100	578	0	0	0	0	0	3,764	3,764	2,746	0	0	0	0	0	24,044	26,790	31,132
2C110	63,958	2,906	2,186	4,066	535	21,829	0	31,522	1,359	659	76,385	300	0	108	4,000	82,811	178,291
	64,536	2,906	2,186	4,066	535	21,829	3,764	35,286	4,105	659	76,385	300	0	108	28,044	109,601	209,422

BS3 Debtors & Prepayments

	General	CMTF	Desig	Restricted	Endow	Total
Church Assessments in advance	16,233					16,233
Salary recharge	15,786					15,786
Stipends, Pension, NI	18,741					18,741
Rent	1,061					1,061
Other Debtors	5,628					5,628
Totals	57,450	0	0	0	0	57,450

BS4 Central Finance Board (CFB) and Bank balances

Monetary balances held at the Central Finance Board of the Methodist Church are available on demand without loss of interest.

	General	CMTF	Desig	Restricted	Endow	Total
Central Finance Board - Savings accounts	38,098					38,098
Central Finance Board - Current accounts	8,124					8,124
Totals	46,222	0	0	0	0	46,222

BS5 Creditors, Accruals and Income in Advance

	General	CMTF	Desig	Restricted	Endow	Total
Church Assessments in advance	22,737					22,737
Expenses	14,070					14,070
Independent Examiners Fees	8,700					8,700
Stipends - URC	23,732					23,732
URC (M&M)	47,026					47,026
Totals	116,265	0	0	0	0	116,265

BS6 Unrestricted Funds

BS6.1 General Fund

Balance as at 31 August

2020	2019
2,390,557	2,394,922

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 98% of this fund is held as a freehold property, being manses for ministers, investment properties and a redundant church.

BS6.2 Circuit Model Trust Fund

Balance as at 31 August

2020	2019
64,536	106,787

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 legacies and formulaically determined contributions from the sale of manses and church buildings 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.

BS7 Restricted and Endowment Funds

Balance as at 31 August

Restricted Funds
Endowment Funds

2020	2019
35,286	35,358
109,601	109,581

The restricted and endowment funds exist to support the circuit with the exception of the Evelyn Hilda Ashby Bequest which is to support individuals in specific need. All the funds' assets are managed by TMCP and the net income (after charges) is paid direct to the administrators of the fund.

CANTERBURY AND EAST KENT METHODIST CIRCUIT

Notes to the financial statements for the year ending 31 August 2020

BS8 Summary of fund movements

Fund	Balance at 01/09/2019	Income	Expenditure	Transfers	Revaluations	Gains/Losses	Balance at 31/08/2020
	£	£	£	£	£	£	£
General	2,394,923	452,887	-567,350	40,168		69,929	2,390,556
Circuit Model Trust	106,787	827	-3,053	-40,000		-25	64,536
Total unrestricted	2,501,710	453,714	-570,403	168	0	69,904	2,455,093
Various Bequests 6859	2,906	25	-6	-19			2,906
Circuit Account 11817	2,186	19	-19				2,186
Various Bequests 3088	4,066	35	-35				4,066
Sale of Land 8031	535	5	-5				535
Ashby Bequest 18169	21,833	188	-44	-149			21,828
Collins Bequest 5081	3,831	76	-76			-68	3,763
Total Restricted	35,357	347	-183	-168		-68	35,285
Balch Bequest 5854	4,154	67	-67			-49	4,105
Flints Charity 1139	659	6	-6				659
Cook Bequest 19409	75,885	653	-152				76,386
Kidman Trust 5970	300	3	-3				300
White Bequest 7873	0						0
Wilson Bequest 8031A	108	1	-1				108
Cook Settlement Fund 8692	28,476	518	-518			-432	28,044
Total Endowment	109,582	1,247	-746	0		-481	109,602
Total Restricted and Endowment	144,939	1,594	-930	-168	0	-549	144,887
Total of all funds	2,646,649	455,308	-571,332	0	0	69,355	2,599,979

BS9 Analysis of net assets between funds

	General	CMTF	Desig	Restricted	Endow	Total
Tangible fixed assets	2,062,615	0	0	0	0	2,062,615
Fixed assets investments	340,534	0	0	0	0	340,534
Investments		578	0	3,764	26,790	31,132
Current assets	93,172	63,958	0	31,522	82,811	271,463
Current liabilities	-116,565	0	0	0	0	-116,565
	2,379,756	64,536	0	35,286	109,601	2,589,179

BS10 Related Parties

All of the Circuit trustees are members of one within the Circuit and may be trustees in their Churches.

Connected organisations include the Methodist Connexion, Churches within the District, other Methodist Districts in Great Britain, the Methodist Ministers' Children's Relief Association, CFB and TMCP, except as reported in Note 9. All of these entities have their own trustees or directors and autonomous administration such that BEH has no significant influence over any of them, nor they over BEH. They are, therefore, not considered related parties.

Names of related parties	Party	Receipts	Payments	Adjustments
		£	£	£
JAM	Connexion			
The Methodist Church Fund	Connexion			
Mission in Britain	Connexion			
Presbyters & Deacons Fund	Connexion			
Property Fund	Connexion			
World Mission Fund	Connexion			
		0	0	0

BS11 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 District that deal with mission, manse, finance, policy, grants, training, development. We are grateful to all of them for their help and commitment.

BS12 Capital commitments and contingent liabilities

There were no capital commitments or contingent liabilities at the year end (2018-19: nil).

BS13 Independent examiner

An accrual has been made for the fee of the independent examiner in the sum of £4,500 for the year (2018-19: £4,500). The independent examiner provided no additional services during the year.

CANTERBURY AND EAST KENT METHODIST CIRCUIT

Declaration

I confirm that these accruals-based accounts for the year to 31 August 2020 have been prepared from the records of the Circuit and that they include all funds under the control of the Circuit Meeting

Signature of treasurer

Date

Name of treasurer

Michael Baybutt

Address

Presentation to the Circuit Meeting for approval

I confirm that the annual report and accounts for the year ended 31 August 2020 were presented to the Circuit Meeting on and were approved.

Signature of the Chair of the meeting

Name of the Chair of the meeting

Date

CANTERBURY AND EAST KENT METHODIST CIRCUIT

Independent Examiner's Report to the Trustees of the Circuit, named above

The Circuit's trustees are responsible for ensuring that the annual report and accounts for the year to 31 August 2020 present a true and fair view of the Circuits's income and expenditure for the year and of its assets and liabilities at the balance sheet date. The trustees consider that an audit is not necessary for this year under section 144 of the Charities Act 2011 and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act 2011
- follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011
- state whether particular matters have come to my attention.

Basis of Independent Examiner's Report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts with those records. It also includes consideration of any unusual items, in nature or scale, or disclosures in the accounts, seeking explanations from the trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a true and fair view. My report is limited to those matters set out in the statement below.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention :

which gives me reasonable cause to believe that in any material respect the requirements :

- to keep accounting records in accordance with section 130 of the Charities Act 2011
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act 2011

have not been met, or

- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.
- I have not obtained independent verification of all investments with the Trustees for Methodist Church Purposes or held in other trusts, bank balances and funds at the Central Finance Board of the Methodist Church which are individually in excess of £10,000 (ten thousand pounds) at the balance sheet date.

Signature of independent examiner



Name of independent examiner

Claire Louise Dean

Relevant professional qualification of independent examiner

FCCA

Name of firm (where appropriate)

MMP Ltd

Address

64 High Street
Broadstairs
Kent
CT10 1JT

Date