

The Methodist Church



34/15 North Hertfordshire Circuit

TRUSTEES' ANNUAL REPORT

and

FINANCIAL STATEMENTS

for the year ended

31 AUGUST 2022

Charity registration number: 1133930

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Financial statements for year ended 31 August 2022**Administrative Information**

Circuit Ministers

Rev Malcolm Peacock	(Superintendent to 31 August 2022)
Rev Graham Claydon-Knights	(Joint-Superintendent from 1 September 2022)
Rev Val Reid	(Joint-Superintendent from 1 September 2022)
Rev Julian Blakemore	(Sector Minister – Banking)
Rev Melanie Crowley	(Anglican – Authorised Minister)
Chandrika Perera	
Rev Peter Orton	
Rev John Whittle	Supernumerary Minister
Rev N Young	Supernumerary Minister
Rev R Forrest	Supernumerary Minister
Deacon Malcolm Knowles	Supernumerary Deacon

Circuit Stewards

Allison Finch	Joint Senior Steward
Janet Tackley	Joint Senior Steward
Gill Hughes	
Vic Evans	
Sara Crowley	
Sue Chastney	

Circuit Meeting Secretaries

Jenny Wright	Administration
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Circuit Administrator

Jenny Wright
Central Methodist Church
Pixmore Way
Letchworth Garden City
Herts
SG6 3TR

Custodian Trustees

(for Property and Investments)
Trustees for Methodist Church Purposes
Central Buildings
Oldham Street
Manchester
M1 1JQ

Circuit Web Site Address

www.nhmethodist.org.uk

Bankers

Lloyds Bank PLC
PO Box 1000
BX1 1LT

Investment Adviser

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

Independent Examiner

Sandeep Shah FCCA
St Christopher's House
Ridge Road
Letchworth Garden City, Herts
SG6 1PT

Financial statements for year ended 31 August 2022

Trustees' Report

Governance and Management

The Circuit is governed by the Methodist Church Act 1976, the Deed of Union and the Model Trust Deeds of 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 the discipline of the Methodist Church, and
- b any charitable purpose for the time being of any Connexional, District, Circuit, local or other organisation of the Methodist Church, and
- c any charitable purpose for the time being of any society or institution or subsidiary or ancillary to the Methodist Church.

The Circuit is a group of local churches some of which are Local Ecumenical Partnerships (LEPs) with other denominations. Circuits combine to form about 30 districts in Great Britain. Although there is some autonomy, all Methodist organisations in Great Britain are governed by statutes determined by the Methodist Conference and which are published in the Constitution, Practice and Discipline (CPD) of the Methodist Church. Conference is the supreme body within the church: it delegates much of its authority to the Methodist Council. Both Conference and Council consist of lay and clerical members.

In setting our objectives and planning our activities the Circuit Meeting, held at least twice in each year, has given careful consideration to the Charity Commission's general guidance on public benefit and, in particular, to its supplementary public benefit guidance on advancing our objectives as set out above.

During the year the Circuit Leadership Team (CLT) - the Circuit Ministerial Staff and Circuit Stewards - met every two months to review the life of the Circuit and to take forward the decisions of the Circuit Meeting.

The Trustees and members of the Circuit Meeting are one and the same. They are also Managing Trustees for the property (manse) in the Circuit and for the Circuit Investments. The Trustees have no responsibility for individual churches in the Circuit.

Activities

OUR MISSION IS: to show and share God's love in Christ, that the community of faith may grow.

OUR POLICY: is to encourage and support the churches in the circuit to:

- Grow in our faith and numbers as communities and God's people.
- Show God's love in our worship and being; as church and as individuals.
- Share the good news of 'God with us' and the story of our faith.

Financial statements for year ended 31 August 2022

Organisational Structure

- 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, and the Circuit Meeting.
- The Districts pass the control down to Circuit level for local implementation by the Superintendent Minister, Ministerial staff and Circuit Stewards and authority is delegated to the Circuit Meeting for certain matters
- The Circuit meeting passes control down to Church Councils for local implementation by the Minister, the Church Stewards and other officers and authority is delegated to Church Councils acting as Managing Trustees.
- The Circuit Superintendent chairs meetings of the Circuit Leadership Team (CLT) and the Circuit Meeting, which trustees are expected to attend. Policy decisions are taken at the Circuit Meeting.
- The Methodist Connexional year runs from 1 September to the following 31 August.

Charity Registration

The North Hertfordshire Methodist Circuit was registered as a charity (registration number 1133930) in February 2010.

The trustees confirm that they have complied with the duty under the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. Specifically:

- many churches make their premises available to other organisations that need somewhere to meet (eg choral and drama groups, The National Trust)
- some churches have long term tenants (e.g. a playgroup at Trinity)
- uniformed organisations (scouts, cubs, beavers, guides, brownies and rainbows) are affiliated to many of our churches
- lunch clubs are provided for the housebound
- other outreach activities
- opening some of our churches most days of the week to the homeless
- raising money for charities and activities locally and overseas (eg the annual Good Friday sponsored walk raises over £2500 for charities)

Safeguarding

The Circuit follows the Connexional policy on safeguarding as detailed in *Creating Safer Space*. Each church has a safeguarding representative and there are two safeguarding officers in the circuit to ensure the adoption of safe practice amongst children and vulnerable adults.

Financial statements for year ended 31 August 2022

Trustees

The following people served as members of the Circuit Meeting during the year 2021-22.

Trustees name	Appointed	Office	Appointing Body
Rev Malcolm Peacock		Superintendent Minister	Ex officio
Rev Graham Claydon Knights		Minister	Ex officio
Rev Val Reid		Minister	Ex officio
Deacon Marcianne Uwimana		Deacon	Ex officio
Rev Julian Blakemore		Minister	Ex officio
Rev Melanie Crowley		Minister	Ex officio
Rev Peter Orton		Minister	Ex officio
Rev Chandrika Perera		Minister	Ex officio
Rev Nicholas Young		Supernumerary Minister	Ex officio
Rev John Whittle		Supernumerary Minister	Ex officio
Rev Bob Forrest		Supernumerary Minister	Ex officio
Deacon Malcolm Knowles		Supernumerary Deacon	Ex officio
Jenny Wright	Jun-19	Circuit Administrator/Secretary	Ex officio
Lydia Becket	Aug-21	Circuit Treasurer	Ex officio
Circuit Mtg			
Allison Ffinch	Sep-19	Circuit Steward	Circuit Stewards
Andrew Surry	Sep-09	Church Representative	St Faith's Joint PCC
Barbara Cook	Sep-14	Worship Leader	Circuit Meeting
Bob Hamilton	Oct-20	Church Representative	SHSJ
Brian Burgess	Sep-08	Church Representative	Benington Church Council
Cath Edmonds	Sep-19	Church Representative	Christchurch Church Mtg
Colin Yates	Sep-09	Church Representative	Central Church Council
David Latter	Sep-08	Local Preacher (Tutor)	Local Preachers Mtg
Diane Graham	Sep-13	Church Representative/Connex. Funds	Christchurch Church Mtg
Georgina Offie	Sep-18	Church Representative	All Saints Joint PCC
Gill Francis	Sep-18	Church Representative	Baldock Church Mtg
Gill Hughes	Sep-17	Circuit Steward	Circuit Stewards
Helen Hofton	Sep-15	Church Representative	Pirton Church Council
Helen Priest	Oct-20	Church Representative	SHSJ
Ian Brakenbury	Sep-09	Church Representative	Pirton Church Council
J Alan Burrell	Mar-16	Church Representative	St Paul's Church Council
Jackie Hall	Sep-08	Church Representative	Trinity, Church Mtg.
Jane Stephens	Sep-18	Church Representative	St Paul's Church Council
Janet Tackley	Mar-11	Circuit Steward/Church Representative	Pirton Church Council
Jennifer Rogers	Sep-10	Safeguarding Advisor	Circuit Meeting

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John Sharman	Mar-08	Church Representative	Central Church Council
Jonathan Battarbee	Sep-19	Church Representative	Central Church Council
Julie Mills	Sep-20	Church Representative	Christchurch Church Mtg
June R Simpson	Mar-08	Church Representative	Stotfold Church Council
Kate Dickinson	Sep-19	LP Meeting secretary	LP Meeting
Ken Sharpe	Nov-16	Church Representative	High St
Mandy Pye	Mar-16	Church Representative	Christchurch Church Mtg
Margaret Turner	Mar-11	Church Representative	Stotfold Church Council
Nick Long	Sep-13	Circuit Steward	Circuit Stewards
Nirmal Chopde	Sep-19	Church Representative	High St
Norman Kiddle	Sep-15	Church Representative	All Saints Joint PCC
Peter Davies	Mar-11	Church Representative	Benington Church Council
Peter Dron	Sep-08	Church Representative	All Saints Joint PCC
Robert Driver	Sep-20	Church Representative	Baldock Church Mtg
Roy Robinson	Sep-21	Church Representative	Baldock Church Mtg
Shawal Spencer	Sep-20	Church Representative	High St
Stephanie Breker	Sep-13	Church Representative	Christchurch Church Mtg
Sue Chastney	Sep-09	Safeguarding Advisor	Circuit Meeting
Val Triplow	Sep-15	Church Representative	Stotfold Church Council
Vic Evans	Sep-19	Circuit Steward	Circuit Stewards
Vivien Storey	Mar-08	Church Representative	Central Church Council

Financial statements for year ended 31 August 2022

Staff changes

In August 2022 Rev Malcolm Peacock left the Circuit, Rev Graham Claydon-Knights and Rev Val Reid were appointed Joint Super-Intendents in September 2022.

Deacon Marcianne Uwimana left the Circuit in February 2022.

Review of Objectives set for Year 2021-22

We are setting a small number of objectives for 2021-22 as we anticipate being able to access fewer resources – we lost a member of staff during the current year due to personal issues. Due to the ongoing stationing issues within the Methodist Church we anticipate that we will be a member of staff short during the year 2022/23. *During 2022/23 the two Methodist ministers remaining in the circuit are acting as co-superintendents. They have focused on four key areas of circuit life:*

- 1. Creating small groups of circuit stewards/ministers/paid circuit staff to take shared responsibility for tasks, so that no-one is on their own with big decisions.*
- 2. Building up and supporting the team of circuit ministers (Methodist and Anglican) and Local Preachers.*
- 3. Ensuring that safeguarding good practice is shared and Circuit records are up to date.*
- 4. Ensuring that necessary property work on churches and manses is undertaken and properly recorded.*

In the current year we anticipate that two of our churches will cease to worship and most of our churches will continue to face difficulties around finances as we adjust to the impact of Covid.

Two churches have ceased to worship, and a third church is in the process of selling its building while remaining an active congregation. Circuit support for these congregations is ongoing.

In the year 2022/23 we look forward to the United Area Group of the United Reformed Church appointing a minister who will exercise some oversight in our Trinity Church, Knebworth – Methodist URC LEP. *This URC minister has not taken up his post, and Trinity Knebworth remains without a minister.*

Given the difficulties we anticipate we are setting two objectives.

1. To discern priorities in the light of depleted resources.
This has been an ongoing topic at our CLT meetings
2. To review and evaluate our sense of being as a Circuit post pandemic.”
This has been the principle underlying the four key areas of focus outlines in the first paragraph above.

Objectives set for the year 2022/23 and beyond

For the year ended 31 August 2023 and beyond, we will continue to address the objectives set for the year ended 31 August 2022, in particular:

We will continue to provide support for the congregations of the two churches in the Circuit where worship has ceased. We will manage the sale of one of these churches and will also support the sale of another church where the congregation remains active.

We look forward to welcoming a new Superintendent Minister and a new MOCC (Ministers from Other Churches and Conferences) Minister in September 2023.

Financial statements for year ended 31 August 2022

In addition, we are planning a Circuit awayday in February 2024 with the objective of creating a Circuit Vision Statement.

Further ahead we plan to welcome a new minister into the Circuit following the planned sitting down of Rev Val Reid in August 2024.

Churches in the Circuit

All Saints Church Pin Green Stevenage Herts

Arlesey Methodist Church Beds

Baldock Methodist Church Herts

Benington Methodist Church (LEP* with Church of England [2 churches], United Reformed Church)

Central Methodist Church Letchworth Garden City Herts

Christchurch Hitchin Herts (LEP* with United Reformed Church)

High Street Methodist Church Stevenage Herts

Norton Methodist Church, Letchworth Garden City Herts

Pirton Methodist Church Herts

St Faith's Church Hitchin Herts (LEP* with Church of England)

St Hugh & St John Church, Chells Stevenage Herts (LEP* with Church of England)

St Paul's Methodist Church Broadwater Stevenage Herts

Stotfold Methodist Church Beds

Trinity Church Knebworth Herts (LEP* with United Reformed Church)

*LEP = Local Ecumenical Partnership

Financial statements for year ended 31 August 2022

Financial Report

Risk Management

Through its CLT risks faced by the Circuit have been considered. Where appropriate, risks have been transferred by paying insurers to take the risks. Security and safety of our churches is largely for those churches to determine and to mitigate following advice from Circuit Officers.

All churches and manses are the subject of quinquennial inspections and the reports on each are reviewed by the circuit as well as the local trustees. Action is taken to reduce the risks of injury to all who have a legitimate purpose to be on those premises.

We have considered the resilience of churches and the risk that they will not meet their quarterly financial assessments. We judge that there are sufficient resources to cover any probable shortfall in the following year.

The Circuit operates within a statutory framework of regulation and seeks to ensure that it follows Methodist standing orders. It relies on the Methodist Council to provide guidance on changes that could affect the Circuit.

Trustees' Expenses

Members of the Circuit Meeting received neither payment nor reimbursement of their expenses in connection with their function as trustees. The only expenses paid were to the staff of the Circuit in connection with fulfilling their roles.

Trustees' Responsibilities

The Trustees are required to prepare financial statements for each financial year that give a true and fair view of the Circuit's financial activities during the year and of its financial position at the end of the year. In preparing these financial statements, the Trustees have:

- selected suitable accounting policies and applied them consistently using the accruals method
- made judgements and estimates that are reasonable and prudent
- followed applicable accounting standards
- prepared the financial statements on the going concern basis.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the 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.

Trustees have a right to advise the independent examiner of their concerns but none has done so. CLT concludes, therefore, that there are no issues to be advised to the independent examiner.

Following advice from Connexion the Trustees have produced a Health and Safety policy for the Circuit that will be regularly reviewed.

Financial statements for year ended 31 August 2022***Financial Review***

The Circuit's annual report and accounts for the year ended 31 August 2022 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 102

The Circuit prepares accruals accounts. They are not a consolidation of the accounts of churches in the Circuit.

The Circuit budget is prepared by first anticipating the expenditure for the forthcoming year and then determining how that sum will be raised. Around 91% of the income for the year came from the individual churches within the circuit, with a total of £195,727 being received (2021: £208,854). The Circuit is grateful for the individual churches continuing to meet their assessment during the year.

In 2021-22 the Circuit finished the year with an overall deficit of £32,172 (2021: surplus of £311,601). The surplus in 2021 arose due to the profit on the disposal of the property at Turpin's Way. The proceeds from this sale were used to finance the purchase of a new manse at Topham Gardens, Arlesey.

The Circuit makes a number of grants each year. These are for projects which are part funded by the Bedfordshire Essex and Hertfordshire District. The District part of the funding is paid directly to the church concerned and does not pass through the Circuit accounts. The Circuit usually matches the amount received from the District. In 2021-22 a total of £17,783 (2020-21 £8,905) grants were awarded, with a further £24,085 committed over the next 2 years.

The Circuit Model Trust Fund finished the year with a deficit of £37,290 (2021: surplus £56,252). These funds are now classified as a long term investment. In most years, the Fund returns a deficit because the amounts taken by the Circuit and District are not fully compensated by the income generated by the fund. The Circuit may benefit indirectly from this as the District uses these funds to award grants. The surplus in 2021 arose due to the profit on the disposal of the property at Turpin's Way.

The expenditure during the year on manses was written off and not capitalised (as it generally represented expenditure of a maintenance nature rather than significant capital enhancement). During the year one manse was let commercially for the full year, a second manse was let in August 2022, the Trustees are keen to be responsible landlords.

At 31 August 2022, the total value of manses held is £1,709,562 (2021: £1,709,562).

Reserves not tied up in fixed assets show a deficit at the year end of £9,517. This arises primarily due to the amounts due to repaid to Trinity Church included in Other Creditors due within one year and in Other Creditors due in more than one year.

At no time during the year was the Circuit insolvent either in terms of its assets or in terms of its ability to pay its debts as they became due. All funds are unrestricted.

Financial statements for year ended 31 August 2022***Reserves Policy*****Background**

The Circuit seeks to use its financial resources wisely and to predict future needs for capital expenditure on churches, manses and projects. Many of our churches are local ecumenical projects (LEPs) where two or more denominations work together, often sharing the same premises and usually worshipping together.

Grant Support

By way of annual or one-off grant, North Hertfordshire Methodist Circuit supports several churches within the Circuit by contributing to the cost of specific projects, especially for mission, sometimes for as long as five years. The Circuit does not generally support the normal running costs of any church.

Before committing to a grant, the Circuit believes that it is prudent to ensure that it has sufficient resources to pay for all instalments of the grant. This is because the Circuit's annual income and expenditure budget does not normally seek to make a surplus. There is, therefore, no intended annual increase in the reserves.

Priority given to projects which:

- share the good news of God's love in Christ.
- help us to reach out to our communities in fresh and imaginative ways.
- have relevance for children and young people.
- develop and equip our buildings for worship and mission in the 21st century which is in line with our Circuit policy and strategy.

Capital Assets

The proceeds of sale of the premises of any Methodist Church or manse within the Circuit is generally credited to the Circuit. There is, however, a substantial levy paid to the Connexion (the Methodist Church in GB) so not all of the proceeds are received by the Circuit. This levy is then used by the Connexion to fund other innovative property and mission focussed schemes all over the country.

Funding of the Circuit's costs

This is achieved by making an assessment on each church within the Circuit. If any church were to close, that church's assessment would not be paid to the Circuit. The Circuit's costs – principally the stipends of the ministers – would continue and there may be a need to draw on reserves to meet the shortfall in income.

Existing Commitments

As at 31 August 2022 the Circuit has committed £24,085 in grants out of its funds.

Annual costs

The Circuit believes that it should ideally ensure that it has reserves sufficient to cover the stipends of its Presbyters and Deacon for the full ensuing year. At 31 August 2022, this sum is estimated at £89k.

The Circuit deems it prudent to hold sufficient to cover all other costs for six months, this is estimated as £70k

Financial statements for year ended 31 August 2022

The total of these possible amounts is £159k and current reserves (including fixed assets) exceed that amount.

Upgrading of manses

The Circuit recognises its responsibility to provide adequate accommodation for its ministers. Over the last few years the Circuit has spent sums as necessary rather than as may be desirable.

As at 31 August 2022 the Circuit anticipates that it will, over the following year, spend up to £43k in total on capital projects across its four manses.

Taxation

It is the view of the trustees that none of the activities of the Circuit during the year should attract taxation. Where VAT has been incurred, none has been, or will be, recovered and costs are shown gross of relevant VAT.

Approvals

The Trustees' Report and the Financial Statements have been ratified by the Circuit Leadership Team Meeting.

The financial statements have been approved on behalf of the Circuit by:



Rev Graham Claydon-Knights
Joint Superintendent Minister

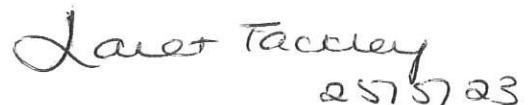
25/5/23



Allison Ffinch
Joint Senior Circuit Steward



Rev Val Reid
Joint Superintendent Minister



Janet Tackley
Joint Senior Circuit Steward

Date: 14/6/23

Financial statements for year ended 31 August 2022

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

	Notes to the accounts	General Fund £	Circuit Model Trust £	Total 2022 £	Total 2021 £
Income					
1 Donations and legacies		-	-	-	-
2 Income from monetary investments	4	90	1,009	1,099	825
3 Income from investment properties	5	16,057	-	16,057	7,358
4 Assessments on Churches	17	195,727	-	195,727	208,854
5 Profit on Sale of Fixed Assets	6	-	-	-	370,225
6 Grants received	7	866	-	866	1,380
7 Other charitable income		2,331	-	2,331	1,002
8 Total income		215,071	1,009	216,080	589,644
Expenditure					
9 Grants and donations		17,783	-	17,783	8,905
10 Salaries and associated costs	10	132,176	-	132,176	149,493
11 Property maintenance		21,514	-	21,514	45,137
12 Model trust levy		-	7,416	7,416	9,378
13 District Assessment & Levy		42,448	-	42,448	42,768
14 Depreciation		-	-	-	-
15 Office expenses		26,032	677	26,709	20,137
16 Other outgoings		-	-	-	2,733
17 Total charitable expenditure		239,953	8,093	248,046	278,551
18 Gains/(losses) on monetary investments		-	(206)	(206)	508
19 Gains/(losses) on investment properties		-	-	-	-
20 Net income/(expenditure)		(24,882)	(7,290)	(32,172)	311,601
21 Transfers between funds		30,000	(30,000)	-	-
22 Other gains/(losses)		-	-	-	-
23 Net movement in funds		5,118	(37,290)	(32,172)	311,601
24 Total funds brought forward		1,694,927	228,184	1,923,111	1,611,510
25 Total funds carried forward		1,700,045	190,894	1,890,939	1,923,111

Financial statements for year ended 31 August 2022

Balance sheet as at 31 August 2022

	Notes to the Accounts	General Fund (Unrestricted) £	Circuit Model Trusts (Unrestricted) £	Total 2022 £	Total 2021 £
Fixed Assets					
Circuit Manses & Equipment	11	1,709,562		1,709,562	1,709,562
Investments	12		190,894	190,894	228,184
Total fixed assets		1,709,562	190,894	1,900,456	1,937,746
Current Assets					
Debtors	13	1,281	-	1,281	6,803
Central Finance Board Deposits		16,659	-	16,659	9,942
Cash at Bank and in hand		7,020	-	7,020	15,329
Total current assets		24,960	-	24,960	32,074
Current liabilities					
Creditors (due in under 1 year)	14	16,489	-	16,489	20,233
Grants payable within 2021 22		12,472	-	12,472	7,723
Total current liabilities		28,961	-	28,961	27,956
Net current assets/liabilities		(4,001)	-	(4,001)	4,118
Long term liabilities					
Creditors (due in more than 1 year)		5,516		5,516	18,753
Total assets less total liabilities		1,700,045	190,894	1,890,939	1,923,111
Net Assets		1,700,045	190,894	1,890,939	1,923,111
Funds of the Circuit					
General Fund (Unrestricted)		1,700,045		1,700,045	1,694,927
Circuit Model Trust Fund (Unrestricted)			190,894	190,894	228,184
Designated Funds (Unrestricted)		-	-	-	-
Total Unrestricted Funds		1,700,045	190,894	1,890,939	1,923,111
Restricted Funds		-	-	-	-
Endowment Funds		-	-	-	-
Total Funds		1,700,045	190,894	1,890,939	1,923,111

Financial statements for year ended 31 August 2022**Notes to the accounts****1. Basis of accounting**

The financial statements have been prepared under the Charities Act 2011 in accordance with the 2015 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 102 - the Charities SORP – 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.

2. Funds

The funds held constitute:

- General Funds are unrestricted and are held for any purpose of the Circuit.
- The Circuit Model Trust Fund has wide purposes defined in Standing Orders and is categorised as unrestricted.

Restricted funds are funds which are held for a narrower purpose. The Circuit does not hold any restricted or endowment funds. Any funds may be represented by more than just cash.

3. Accounting policies***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 Circuit's financial position and activities.

Incoming resources

Income is included in the Statement of Financial Activities (SOFA) when the Circuit becomes entitled to the resources, and the trustees are reasonably certain they will receive the resources; and the monetary value can be measured with sufficient reliability.

Resources expended

Expenditure is recognised when a liability is incurred, or a constructive obligation arises, that results in the payment being unavoidable. Liabilities are recognised as soon as an outflow of economic benefit is considered more likely than not under the legal or constructive obligation committing the Circuit to pay out resources.

Grants

Grants made by the Circuit from its own funds are recognised in full at the time of 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 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.

VAT

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

Tangible fixed assets for use by the circuit

These are capitalised if they can be used for more than one year, and individually cost at least £1,000. They are valued at cost, or a reasonable value on receipt. We do not regard the value as being less than the cost, have carried out an impairment review and decided no depreciation is necessary.

Financial statements for year ended 31 August 2022**Investment property**

In addition to the manses, the circuit owns one house which it holds as an investment property. Since the value of all manses, including this investment property, is frozen at £1,349,962, the value attributed to the newly defined 'investment property' is *pro rata* to the insured values of the total real estate.

Investments

Investments are valued in the balance sheet at market value at the year end. Investment income is included in the accounts when receivable and any gains or losses on revaluation at the year end are shown in the SOFA.

Debtors and prepayments

Debtors are amounts owed to the Circuit. Prepayments include payments made by the Circuit for services yet to be received. This includes the payment in August of the September Stipends which are debited at the end of August.

Creditors

Creditors include both sundry expenses and also any amounts received by Circuit in advance of when income is actually due.

4. Investment income	Unrestricted	Circuit Model Trust Fund	Total 2022	Total 2021
	£	£	£	£
Lloyds Interest	90	-	90	52
Circuit Model Trust Fund income	-	1,009	1,009	773
Total	90	1,009	1,099	825

5. Other trading activities	Unrestricted	Circuit Model Trust Fund	Total 2022	Total 2021
	£	£	£	£
Lettings income (Maytrees)	16,057	-	16,057	7,358

6. Profit on Sale of Fixed Assets	Unrestricted	Circuit Model Trust Fund	Total 2022	Total 2021
	£	£	£	£
Profit on sale of property	-	-	-	370,225

In the year ended 31 August 2021, the sale of the property at Turpin's Way was completed.

7. Grants received	Unrestricted	Circuit Model Trust Fund	Total 2022	Total 2021
	£	£	£	£
Coronavirus Job Retention Scheme Grant	866	-	866	1,380

Financial statements for year ended 31 August 2022

Notes to the accounts (continued)

8. Payment to Trustees

	2022	2021
	£	£
Payments made to trustees for additional services	NIL	NIL
Number of trustees who were paid expenses	4	5
Total amount paid	5,595	2,599

No trustees undertook additional services on behalf of the Circuit.

9. Fees for examination or audit of the accounts

	2022	2021
	£	£
Independent examiner's or auditors' fees for reporting on the accounts	570	570
Other fees (eg: advice, accountancy services) paid to the independent examiner or auditor	NIL	NIL

10. Paid employees

Staff Costs paid during the year were:	2022	2021
	£	£
Gross wages, salaries and benefits in kind	99,813	112,088
Employer's National Insurance costs	9,158	9,915
Pension costs	23,205	27,490
Total staff costs	132,176	149,493
Average number of staff employed during the year were:	5	7

11. Tangible fixed assets

Tangible fixed assets comprise manses at deemed cost of £1,709,562 (2021: £1,709,562)
We do not regard the value as being less than cost and hence no depreciation is necessary.

Financial statements for year ended 31 August 2022

Notes to the accounts (continued)

12. Investments

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

	2022	2021
	£	£
Investments listed on a recognised Stock Exchange	3,072	3,278
Investments held in common investment funds	187,822	224,906
	190,894	228,184
Change in investment values	2022	2021
	£	£
Carrying (market) value at beginning of year	228,184	171,932
Add: additions to investments at cost	1,009	65,479
Less: disposals at carrying value	(8,093)	(9,735)
Net gain/(loss) on revaluation	(206)	508
Transfers in/(out)	(30,000)	-
Carrying (market) value at end of year	190,894	228,184

13. Analysis of current assets

Debtors and prepayments

	2022	2021
	£	£
Prepayments	1,281	996
Other debtors	-	5,807
Total debtors and prepayments	1,281	6,803

Analysis of cash at bank

	2022	2021
	£	£
Bank balance held in Lloyds	7,020	15,329

14. Analysis of current liabilities

	2022	2021
	£	£
Accruals	2,001	12,510
Other creditors	14,488	7,723
	16,489	20,233
Grants payable	12,472	7,723
Total Current Liabilities	28,961	27,956

Notes to the accounts (continued)

15. Analysis of long term creditors

	2022	2021
	£	£
Other creditors	5,516	18,753

16. Capital Commitments and Contingent Liabilities

At the 31 August 2022, the Circuit has no capital commitments.

No Contingent liabilities were identified at 31 August 2022.

Financial statements for year ended 31 August 2022

Notes to the accounts (continued)

17. Related Party Transactions
2022

Name of related party	Relationship	Description of transaction	Income from related party during year	Payments to related party during the year	Amounts owed by /(to) related party as on 31-Aug-2022
			£	£	£
Bedford, Essex and Hertfordshire District	District	Assessment		42,448	
All Saints Church, Pin Green Stevenage	Circuit Church	Assessment	4,680		
Arlesey Methodist Church, Beds	Circuit Church	Assessment	-		
Baldock Methodist Church, Herts	Circuit Church	Assessment	8,021		(254)
Benington Methodist Church,	Circuit Church	Assessment	4,152		
Central Methodist Church, Letchworth	Circuit Church	Assessment	53,232		(500)
Christchurch, Hitchin Herts	Circuit Church	Assessment	60,420		(12,445)
High Street Methodist Church, Stevenage	Circuit Church	Assessment /(grant)	22,172		
Norton Methodist Church, Letchworth	Circuit Church	Assessment /(grant)	6,768		
Pirton Methodist Church, Herts	Circuit Church	Assessment	4,320		
St Hugh and St John Church, Stevenage	Circuit Church	Assessment	5,376		
St Faith's Church, Hitchin Herts	Circuit Church	Assessment /(grant)	3,060		(745)
St Paul's Methodist Church, Stevenage	Circuit Church	Assessment	8,088		
Stotfold Methodist Church, Beds	Circuit Church	Assessment	10,944		
Trinity Church, Knebworth Herts	Circuit Church	Assessment	4,494		1,472
Total			195,727		(12,472)

Financial statements for year ended 31 August 2022

2021

Name of related party	Relationship	Description of transaction	Income from related party during year	Payments to related party during the year	Amounts owed by /(to) related party as on 31-Aug-2021
			£	£	£
Bedford, Essex and Hertfordshire District	District	Assessment		42,768	
All Saints Church, Pin Green Stevenage	Circuit Church	Assessment	5,000		
Arlesey Methodist Church, Beds	Circuit Church	Assessment			
Baldock Methodist Church, Herts	Circuit Church	Assessment	9,000		
Benington Methodist Church,	Circuit Church	Assessment	4,716		
Central Methodist Church, Letchworth	Circuit Church	Assessment	60,480		
Christchurch, Hitchin Herts	Circuit Church	Assessment	68,640		(8,450)
High Street Methodist Church, Stevenage	Circuit Church	Assessment /(grant)	24,900		
Norton Methodist Church, Letchworth	Circuit Church	Assessment /(grant)	7,680		
Pirton Methodist Church, Herts	Circuit Church	Assessment	4,920		
St Hugh and St John Church, Stevenage	Circuit Church	Assessment /(grant)	5,904		
St Faith's Church, Hitchin Herts	Circuit Church	Assessment			(745)
St Paul's Methodist Church, Stevenage	Circuit Church	Assessment	8,088		
Stotfold Methodist Church, Beds	Circuit Church	Assessment	12,420		
Trinity Church, Knebworth Herts	Circuit Church	Assessment	(2,894)		1,472
Total			208,854		(7,723)

Declarations

Treasurer

I confirm that these accrual based accounts for the year ended 31 August 2022 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



Name of Treasurer

Lydia Becket

Address

132 Topstreet Way, Harpenden, Hertfordshire, AL5 5TS

Date 25 05 23

Presentation to the Circuit Meeting for approval.

I confirm that the annual report and accounts for the year ended 31 August 2022 will be presented to the Circuit Meeting at its meeting in September 2023.

Signature of the Chair of the meeting

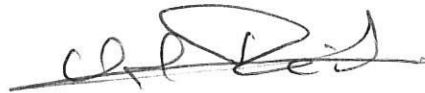


25/5/23

Name of the Chair of the meeting

Rev Graham Claydon-Knights
Joint Superintendent Minister

Signature of the Chair of the meeting



Name of the Chair of the meeting

Rev Val Reid
Joint Superintendent Minister

Date

14/6/23

Financial statements for year ended 31 August 2022

Independent Examiner's Report to the Trustees of North Hertfordshire Methodist Circuit.

This Report is on the Circuit Accounts for the year ended 31st August 2022.

Respective responsibilities of Trustees and Examiner

The Circuit's trustees are responsible for ensuring that the annual report and accounts for the year to 31 August 2022 present a true and fair view of the Circuit'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 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- ☐ examine the accounts under section 145 of the Charities Act;
- ☐ to follow the procedures laid down in the general Directions given by the Charity Commission under Section 145(5)(b) of the Charities Act; and
- ☐ to state whether particular matters have come to my attention in connection with my examination.

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

- (1) 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.
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act
- have not been met, or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

- (3) 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.

Name of independent examiner

Sandeep Shah

Signature of independent examiner



Relevant Professional qualification of independent examiner

FCCA

Name of firm (where appropriate)

Leadermans

Address

St Christopher's House
Ridge Road
Letchworth Garden City
SG6 1PT

Date

19/6/23