

**TRUSTEES' ANNUAL REPORT**

**and**

**FINANCIAL STATEMENTS**

**for the year ended**

**31 AUGUST 2023**

Charity registration number: 1133930

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**Administrative Information**

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**Circuit Ministers**

Rev Graham Claydon-Knights	(Joint-Superintendent from 1 September 2022 to 31 August 2023)
Rev Val Reid	(Joint-Superintendent from 1 September 2022 to 31 August 2023)
Rev Zdzisiu Hendzel	Superintendent from 1 September 2023
Rev Emmanuel Onabanjo	Minister from 1 September 2023
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 to 31 March 2023
Jasmine Hilfer	Administration from 1 April 2023

**Circuit Administrator**

Jasmine Hilfer  
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](http://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  
Leadermans  
St Christopher's House  
Ridge Road  
Letchworth Garden City, Herts  
SG6 1PT

**Trustees' Report**

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***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 2023**

***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 2023**
**Trustees**

The following people served as members of the Circuit Meeting during the year 2022-23.

<b>Trustees name</b>	<b>Appointed</b>	<b>Office</b>	<b>Appointing Body</b>
Rev Graham Claydon Knights		Joint Superintendent Minister	Ex officio
Rev Val Reid		Joint Superintendent Minister	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
Jasmine Hilfer	Mar-23	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
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
Ian Brakenbury	Sep-09	Church Representative	Pirton Church Council
J. Alan Burrell	Mar-16	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

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



**Financial statements for year ended 31 August 2023**

June R Simpson	Mar-08	Church Representative	Stotfold Church Council
Ken Sharpe	Nov-16	Church Representative	High St
Margaret Turner	Mar-11	Church Representative	Stotfold Church Council
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	May-21	Church Representative	Baldock Church Mtg
Sara Crowley	Sep-22	Circuit Steward	Circuit Stewards
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 2023**

***Staff changes***

Rev Graham Claydon-Knights and Rev Val Reid were appointed Joint Superintendents throughout the year ended 31 August 2023. Rev Claydon-Knights left the Circuit in August 2023.

Rev Zdzisiu Hendzel joined the Circuit in September 2023 as Superintendent. Rev Emmanuel Onabanjo also joined the Circuit in September 2023.

In March 2023, Jenny Wright retired as the Circuit Administrator, Jasmine Hilfer was successfully recruited to this position.

***Review of Objectives set for the Year ended 31 August 2023***

We were a member of staff short during the year 2022/23 due to the ongoing stationing issues within the Methodist Church.

The two Methodist ministers remaining in the Circuit acted as joint-superintendents. They 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.

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

***Objectives set for the Year ended 31 August 2024***

We have welcomed a new Superintendent Minister and a new MOCC (Ministers from Other Churches and Conferences) Minister in September 2023 and we look forward to working together.

We are planning a Circuit awayday in February 2024 with the objective of creating a Circuit Vision Statement.

We will also look to provide support to our churches in discerning and following their mission.

We intend to review the policies and procedures in place and to update or establish policies as necessary.

We will seek to strengthen ecumenical co-operation with churches and organisations within our Circuit boundary.

Further ahead we will be welcoming 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



**Financial statements for year ended 31 August 2023**

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 2023**

**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 2023*****Financial Review***

The Circuit's annual report and accounts for the year ended 31 August 2023 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 74% of the income (excluding the gain from St Pauls, see below) for the year came from the individual churches within the circuit, with a total of £181,552 being received (2022: £195,727). The Circuit is grateful for the individual churches continuing to meet their assessment during the year.

In 2022-23 the Circuit finished the year with an overall surplus of £467,892 (2022: deficit of £32,172). This includes the gain of £471,549 from the closure of St Paul's Stevenage and the transfer of its assets to the Circuit on 1 September 2022.

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 2022-23 a total of £24,145 (2021-22 £17,783) grants were awarded, with a further £35,140 committed over the next 2 years.

The Circuit Model Trust Fund finished the year with a deficit of £28,756 (2022: deficit £37,290). 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 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 two manses were let commercially for the full year, the Trustees are keen to be responsible landlords.

At 31 August 2023, the total value of manses held is £1,709,562 (2022: £1,709,562). The value of St Pauls church, ownership of which was transferred to the Circuit on the closure of the church is included at the valuation of £450,000 provided by a quantity surveyor.

Reserves not tied up in fixed assets show a surplus at the year end of £37,131 (2022: Deficit of £9,517). This arises primarily due to the cash balances transferred to the Circuit on the closure of St Pauls and also the continuing reduction of the balance owed to Trinity Church which is included in Other Creditors

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 2023*****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 21<sup>st</sup> 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 2023 the Circuit has committed £35,140 in grants out of its funds.

**Annual costs**

At the Circuit meeting in March 2023, a change to the Circuit's Reserves Policy was approved. The new Reserves Policy is to hold reserves to cover:

- Six months of all costs
- Grant commitments

At 31 August 2023, the total of these costs is estimated to be £169k and current reserves (including fixed assets) exceed that amount.

**Financial statements for year ended 31 August 2023**

**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 2023 the Circuit anticipates that it will, over the following year, spend up to £10.5k in total on capital projects across its properties.

**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:

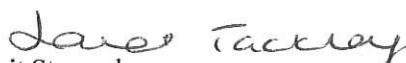


Rev Zdzisiu Hendzel  
Superintendent Minister

Allison Ffinch  
Joint Senior Circuit Steward



Janet Tackley  
Joint Senior Circuit Steward



**Date:** 22 05 24

## Financial statements for year ended 31 August 2023

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

	Notes to the accounts	General Fund £	Circuit Model Trust £	Total 2023 £	Total 2022 £
<b>Income</b>					
Donations and legacies		-	-	-	-
Income from monetary investments	4	1,172	5,800	6,972	1,099
Income from investment properties	5	43,424	-	43,424	16,057
Assessments on Churches	17	181,552	-	181,552	195,727
Grants received	6	10,768	-	10,768	866
Other charitable income		1,515	-	1,515	2,331
Gain from St Pauls	7	471,549	-	471,549	-
<b>Total income</b>		<b>709,980</b>	<b>5,800</b>	<b>715,780</b>	<b>216,080</b>
<b>Expenditure</b>					
Grants and donations		24,145	-	24,145	17,783
Salaries and associated costs	10	89,034	-	89,034	132,176
Property maintenance		53,698	-	53,698	21,514
Model trust levy		-	5,902	5,902	7,416
District Assessment & Levy		44,996	-	44,996	42,448
Depreciation		-	-	-	-
Office expenses		26,560	565	27,125	26,709
Other outgoings		2,858	-	2,858	-
<b>Total charitable expenditure</b>		<b>241,291</b>	<b>6,467</b>	<b>247,758</b>	<b>248,046</b>
Gains/(losses) on monetary investments		-	(130)	(130)	(206)
<b>Net income/(expenditure)</b>		<b>468,689</b>	<b>(797)</b>	<b>467,892</b>	<b>(32,172)</b>
Transfers between funds		27,959	(27,959)	-	-
Other gains/(losses)		-	-	-	-
<b>Net movement in funds</b>		<b>496,648</b>	<b>(28,756)</b>	<b>467,892</b>	<b>(32,172)</b>
Total funds brought forward		1,700,045	190,894	1,890,939	1,923,111
<b>Total funds carried forward</b>		<b>2,196,693</b>	<b>162,138</b>	<b>2,358,831</b>	<b>1,890,939</b>



## Financial statements for year ended 31 August 2023

## Balance sheet as at 31 August 2023

	Notes to the Accounts	General Fund (Unrestricted)	Circuit Model Trusts (Unrestricted)	Total 2023	Total 2022
		£	£	£	£
<b>Fixed Assets</b>					
Circuit Manses & Equipment	11	1,709,562		1,709,562	1,709,562
Church	11	450,000		450,000	-
Investments	12		162,138	162,138	190,894
<b>Total fixed assets</b>		<b>2,159,562</b>	<b>162,138</b>	<b>2,321,700</b>	<b>1,900,456</b>
<b>Current Assets</b>					
Debtors	13	1,613	-	1,613	1,281
Central Finance Board Deposits		36,267	-	36,267	16,659
Cash at Bank and in hand		40,951	-	40,951	7,020
<b>Total current assets</b>		<b>78,831</b>	<b>-</b>	<b>78,831</b>	<b>24,960</b>
<b>Current liabilities</b>					
Creditors (due in under 1 year)	14	15,462	-	15,462	16,489
Grants payable		26,238	-	26,238	12,472
<b>Total current liabilities</b>		<b>41,700</b>	<b>-</b>	<b>41,700</b>	<b>28,961</b>
<b>Net current assets/liabilities</b>		<b>37,131</b>	<b>-</b>	<b>37,131</b>	<b>(4,001)</b>
<b>Long term liabilities</b>					
Creditors (due in more than 1 year)	15	-		-	5,516
<b>Total assets less total liabilities</b>		<b>2,196,693</b>	<b>162,138</b>	<b>2,358,831</b>	<b>1,890,939</b>
<b>Net Assets</b>		<b>2,196,693</b>	<b>162,138</b>	<b>2,358,831</b>	<b>1,890,939</b>
<b>Funds of the Circuit</b>					
General Fund (Unrestricted)		2,175,144		2,175,144	1,700,045
General Fund St Pauls (Unrestricted)		21,549		21,549	-
Circuit Model Trust Fund (Unrestricted)			162,138	162,138	190,894
Designated Funds (Unrestricted)		-	-	-	-
<b>Total Unrestricted Funds</b>		<b>2,196,693</b>	<b>162,138</b>	<b>2,358,831</b>	<b>1,890,939</b>
Restricted Funds		-	-	-	-
<b>Total Funds</b>		<b>2,196,693</b>	<b>162,138</b>	<b>2,358,831</b>	<b>1,890,939</b>

**Financial statements for year ended 31 August 2023****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 2023

*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.

<b>4. Investment income</b>	<b>Unrestricted</b>	<b>Circuit Model Trust Fund</b>	<b>Total 2023</b>	<b>Total 2022</b>
	£	£	£	£
Lloyds Interest	1,172	-	1,172	90
Circuit Model Trust Fund income	-	5,800	5,800	1,009
<b>Total</b>	<b>1,172</b>	<b>5,800</b>	<b>6,972</b>	<b>1,099</b>

<b>5. Other trading activities</b>	<b>Unrestricted</b>	<b>Circuit Model Trust Fund</b>	<b>Total 2023</b>	<b>Total 2022</b>
	£	£	£	£
Lettings income	43,424	-	43,424	16,057

<b>6. Grants received</b>	<b>Unrestricted</b>	<b>Circuit Model Trust Fund</b>	<b>Total 2023</b>	<b>Total 2022</b>
	£	£	£	£
Bedfordshire Essex and Hertfordshire District	10,768		10,768	
Coronavirus Job Retention Scheme Grant	-	-	-	866
<b>Total</b>	<b>10,768</b>	<b>-</b>	<b>10,768</b>	<b>866</b>

**7. Gains on closure of St Pauls Church Stevenage**

St Paul's Stevenage closed on 31 August 2022 and on 1 September 2022 and its assets including the church (see note 11) were transferred to the Circuit.

## Financial statements for year ended 31 August 2023

## Notes to the accounts (continued)

**8. Payment to Trustees**

	2023	2022
	£	£
Payments made to trustees for additional services	NIL	NIL
Number of trustees who were paid expenses	4	4
Total amount paid	5,385	5,595

No trustees undertook additional services on behalf of the Circuit.

**9. Fees for examination or audit of the accounts**

	2023	2022
	£	£
Independent examiner's or auditors' fees for reporting on the accounts	624	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:

	2023	2022
	£	£
Gross wages, salaries and benefits in kind	67,698	99,813
Employer's National Insurance costs	6,157	9,158
Pension costs	15,179	23,205
Total staff costs	89,034	132,176

Average number of staff employed during the year were:

4	5
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**11. Tangible fixed assets**

Tangible fixed assets comprise manse at deemed cost of £1,709,562 (2022: £1,709,562) and St Paul's Church, Stevenage valued at £450,000.

St Paul's Church, Stevenage closed on 31 August 2022 and on 1 September 2022 its assets were transferred to the Circuit.

We do not regard the value as being less than cost and hence no depreciation is necessary.

## Financial statements for year ended 31 August 2023

## 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.

	2023	2022
	£	£
Investments listed on a recognised Stock Exchange	2,941	3,072
Investments held in common investment funds	159,197	187,822
	<b>162,138</b>	<b>190,894</b>
<b>Change in investment values</b>	<b>2023</b>	<b>2022</b>
	£	£
Carrying (market) value at beginning of year	190,894	228,184
<b>Add:</b> additions to investments at cost	5,800	1,009
<b>Less:</b> disposals at carrying value	(6,467)	(8,093)
Net gain/(loss) on revaluation	(130)	(206)
Transfers in/(out)	(27,959)	(30,000)
Carrying (market) value at end of year	<b>162,138</b>	<b>190,894</b>

**13. Analysis of current assets**

	2023	2022
	£	£
<b>Debtors and prepayments</b>		
<b>Prepayments</b>	1,613	1,281

**14. Analysis of current liabilities**

	2023	2022
	£	£
Accruals	9,946	2,001
Other creditors	5,516	14,488
	<b>15,462</b>	<b>16,489</b>
Grants payable	26,238	12,472
<b>Total Current Liabilities</b>	<b>41,700</b>	<b>28,961</b>

**Financial statements for year ended 31 August 2023****Notes to the accounts (continued)****15. Analysis of long term creditors**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Other creditors	-	5,516

**16. Capital Commitments and Contingent Liabilities**

At the 31 August 2023, the Circuit has no capital commitments.

No Contingent liabilities were identified at 31 August 2023.



## Financial statements for year ended 31 August 2023

Notes to the accounts (continued)

17. Related Party Transactions  
2023

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-2023
			£	£	£
Bedford, Essex and Hertfordshire District	District	Assessment		44,996	
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	7,932		(11,754)
Benington Methodist Church,	Circuit Church	Assessment	2,004		
Central Methodist Church, Letchworth	Circuit Church	Assessment	53,232		
Christchurch, Hitchin Herts	Circuit Church	Assessment	60,420		(15,211)
High Street Methodist Church, Stevenage	Circuit Church	Assessment /(grant)	21,924		
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)	5,398		(745)
St Paul's Methodist Church, Stevenage	Circuit Church	Assessment	-		
Stotfold Methodist Church, Beds	Circuit Church	Assessment	5,004		
Trinity Church, Knebworth Herts	Circuit Church	Assessment	4,494		1,472
<b>Total</b>			<b>181,552</b>		<b>(26,238)</b>

## Financial statements for year ended 31 August 2023

## 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
<b>Total</b>			<b>195,727</b>		<b>(12,472)</b>

**Declarations**

**Treasurer**

I confirm that these accrual based accounts for the year ended 31 August 2023 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 22 05 24

**Presentation to the Circuit Meeting for approval.**

I confirm that the annual report and accounts for the year ended 31 August 2023 will be presented to the Circuit Meeting at its meeting in September 2024.

Signature of the Chair of the meeting



Name of the Chair of the meeting

Rev Zdzisiu Hendzel  
Superintendent Minister

Date 22 05 24

## Financial statements for year ended 31 August 2023

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

This Report is on the Circuit Accounts for the year ended 31<sup>st</sup> August 2023.

## 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 2023 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

30/05/24