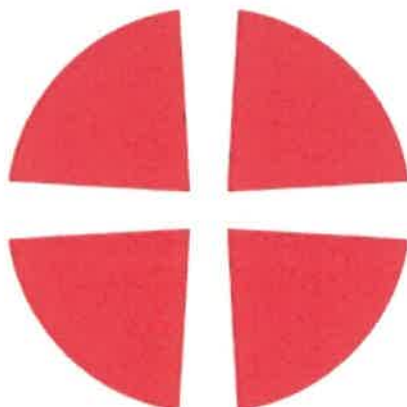


METHODIST CHURCH SOUTH ESSEX CIRCUIT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025



METHODIST CHURCH SOUTH ESSEX CIRCUIT

FINANCIAL STATEMENTS AND TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2025

Registered Charity Number 1134269

Beds, Essex & Herts District - Circuit Number 34/6

METHODIST CHURCH SOUTH ESSEX CIRCUIT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

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METHODIST CHURCH SOUTH ESSEX CIRCUIT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

TRUSTEE REPORT - KEY INFORMATION

Full name of charity	Methodist Church South Essex Circuit
Registration Charity Number	1134269
Date of registration	11 February 2010
Correspondence Address:	C/O Langdon Hills Methodist Church, Emmanuel Road, Basildon, SS16 6EX

Circuit Ministers and officers -

Circuit Ministers	Rev'd F Al-Hassan (Circuit Superintendent) Rev'd F Smith Rev'd M Aygam
Circuit Lay Workers	Mrs C Owens Mrs H Harris
Circuit Stewards	Mrs L Amber Mrs H Ashworth Mrs S Stubbs Mr G Hodgson Mrs C Raven
Circuit Finance Trustee:	Miss W Crayden
Independent examiner	Mayor Cuttle & Co, Suite 7B Aquarium 101 Lower Anchor Street, Chelmsford, CM2 0AU

The self-employed Finance Officer (Alistair Jenkins) and the Finance Trustee above acted as the principal officer overseeing the day to day financial management and accounting for the circuit during the year.

Introduction

The Trustees' have pleasure in presenting their Annual Report for the Methodist Church of South Essex Circuit covering the north part of the Thames Estuary from Basildon in the east to Grays in the west taking in Billericay in the northern part of the circuit.

METHODIST CHURCH SOUTH ESSEX CIRCUIT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

The Methodist church South Essex Circuit is responsible for the ministerial oversight and pastoral care of eight churches in the circuit; the support of a ministry team of three presbyter Ministers, one full time lay employee and one part time lay employee and the maintenance of four circuit manses.

Aims and organisation

Charity objective is to act as a Resource provider within the area around South Essex 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 and the Circuit Policy 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.

METHODIST CHURCH SOUTH ESSEX CIRCUIT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

Christian Aims

The South Essex Circuit, as part of the Methodist Church, is committed to sharing the good news of Jesus Christ in word and action. The Circuit's role is to ensure the effective use of its resources to further the four dimensions of 'Our Calling' as Methodists.

- Worship – to increase awareness of God's presence and to celebrate God's love;
- Service – to be good neighbours to people in need and to challenge injustice;
- Evangelism – to make more followers of Jesus;
- Learning and Caring – to help people to learn and grow in faith through mutual support and care.

The Circuit caring policy is to:

- Encourage everyone in our churches to care for one another, and maintain an established pastoral system where church members work in conjunction with staff.
- Make it a requirement for an annual review of Safeguarding Policies and ensure necessary DBS checks are made and training attended.
- Encourage churches to work alongside other agencies, as well as ecumenically to seek to alleviate social needs locally identified.
- Be sensitive to people of other faiths and to face the challenge of being open to dialogue with them (emphasising what we have in common, rather than solely focussing on those issues on which we differ).

Family Ministry

1. Encourage and equip volunteers and leaders to build each church into a community for all generations.
2. Encourage and nurture relationships between God, church and families.
3. Nurture relationships across age groups within church.
4. Facilitate links between the church, families, the wider community and other organisations through outreach and church-based events including worship.

Hospitality

1. Encourage local churches to extend Christ-like hospitality and practice an active and generous love.
2. Invite, welcome, receive and care for those who are 'strangers', so they may find a spiritual home and the richness of Christ in our churches.

METHODIST CHURCH SOUTH ESSEX CIRCUIT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

3. Express God's invitation to others.
4. Pray, plan, prepare and work toward helping others to receive Christ.

Inclusivity

- Encourage and facilitate a sense of belonging together as one in the Body of Christ.
- Acknowledge the uniqueness of individuals and foster inclusivity.
- Encourage mutual concern, goodwill and respect for others regardless of ethnicity, gender, sexual orientation, marital status, age, disability or opinion.
- Acknowledge Christians hold different views on issues including faith and life-style, and encourage all exchanges of opinion to be within a framework of mutual respect, prayerfulness, grace and honesty.
- Challenge discrimination and injustice.

Working Together

1. Encourage openness to change and a willingness to receive the talents of others.
2. Encourage people within church to work together as effectively as possible.
3. To be conscious and considerate of the well-being needs of those who serve/work in our churches: volunteers, lay workers, ordained ministers.

Business and Resources Policy (People)

The Circuit policy is to:

- Maintain effective oversight of churches through the grouped responsibilities of staff and the location of manses.
- Develop and support its ministerial staff and lay workers, who meet regularly for mutual support, encouragement and conversation about Circuit and church issues.
- Train and authorise local preachers and worship leaders, who, together with ordained ministers, have the primary role in leading the worshipping life of the churches.
- Seek appropriate people to join the Leadership Team as Circuit Stewards, offer induction and encouragement to take an interest in particular aspects of Circuit work.

METHODIST CHURCH SOUTH ESSEX CIRCUIT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

Business and Resources Policy (Buildings)

The Circuit will:

- Maintain and improve, where appropriate, those manses for which it is responsible.
- Continue the independent quinquennial inspections of all Circuit property, supported by annual physical inspections by the relevant stewards, and will maintain a list of relevant maintenance and professional agencies.
- Require churches to comply with the Safeguarding and Equality legislation and Connexional policy.
- Require churches comply with current buildings Health and Safety legislation and undertake Annual Risk Assessments.
- Seek to support and give advice on the improvement and maintenance of church premises.
- Seek to support and provide resources towards energy efficiency, health and safety, accessibility and property improvements for outreach.

Business and Resources Policy (Finance)

The Circuit policy is to:

- Encourage each church to maximise the use of regular, tax-efficient giving.
- Consider and approve an annual budget, and review Circuit finance.
- Consider and approve the annual church contributions, in the knowledge that giving is one response we can make to God's constant love.

Finance Review of the year

The Circuit has provided support to all nine churches to comply with the above policy by encouraging training, financing scheme to encourage outreach and maintaining church buildings.

In February a reserves policy is drawn up for discussion in the circuit leadership team for the next connexional year and approved at the February Circuit Meeting. This gives us a vision of what we plan to do in the next year. In addition we also prepare a budget.

Income trends

- Circuit income is primarily drawn from the assessment paid by the circuit churches.
- Interest from accounts held with recognised Banks and Central Finance Board.

METHODIST CHURCH SOUTH ESSEX CIRCUIT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

- We have investments valued at £945,919 which generated income in support of the Circuit. Investments are re-valued each year and included at latest value in the financial statements.
- The rental income relates to the rental of Meadow Rise Billericay a redundant manse.
- During the year St Andrew's Methodist Church was sold and net proceeds included in accounts.

Expenditure trends

- Stipend expenditure has increased each financial year in line with conference approved increases.
- 23.9% 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 (via Levy).
- The other expenditure in the General fund is in respect of living expenses of the ordained employees and reimbursement of various expenses incurred in carrying out their duties.

Fund balances

The assets (excl property) of the circuit are £61,201 and this, with CMTF funds, give a reserve to cover six months of expenditure.

Plans for 2025/26

Circuit financial plans for the coming year have been prepared on the basis that there remains 3 full time ordained staff with anticipated cost of living stipend increases combined with an increase in the assessment paid to the district such that I have not requested an increase in the assessment from the circuit churches.

Related Parties

The Circuit is part of the Beds, Essex and Herts District and is also accountable to the Methodist Conference. The following Methodist Churches are linked to the circuit Billericay, Grays, St Andrews, Horndon on the Hill, Langdon Hills, Linford, St Paul's, Trinity, Wickford Christ Church. Any other specific organisations with specific linkage.

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.

METHODIST CHURCH SOUTH ESSEX CIRCUIT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

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 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 with offences against a child, young person or vulnerable adult.
- In all these principles we will follow legislation, guidance and recognised good practice

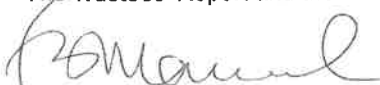
The South Essex Circuit is committed to ensuring the implementation of Connexional Safeguarding Policy; government legislation, guidance and safe practice in the circuit and in the churches. The South Essex Circuit commits itself to the provision of support, advice and training for lay and ordained people 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 six months' average expenditure. This should be sufficient to meet any unforeseen item of major expenditure on manses 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. In addition the circuit also holds reserves in respect of Manse Maintenance, Training and Learning, Equipment and mission outreach, worker with young people, improving church premises.

Approval

The Trustees' Report and the Financial Statements were approved by the Circuit Meeting on



Felicity Al-Hassan
Superintendent

Date 3rd May 2026

METHODIST CHURCH SOUTH ESSEX CIRCUIT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

Statement of Financial Activities (SOFA) for the year ended 31 August 2025

South Essex Methodist Circuit

Circuit No 34/11

	Notes to the accounts	General Fund (Unrestricted)	Circuit Model Trust Fund (Un-restricted)	Designated Funds (un- restricted)	Restricted Funds	Endowment Funds	Total 2024-25
		£	£	£	£	£	£
Income							
1 Donations and legacies							0
2 Income from monetary investments		2,735	23,708				26,443
3 Income from investment properties	3	11,265					11,265
4 Assessments on Churches	4	179,148					179,148
5 Capital Receipts	5		401,548	8,351			409,899
6 Grants received							0
7 Other charitable income		2,680					2,680
8 Total income		195,828	425,256	8,351	0	0	629,435
Expenditure							
9 Grants and donations		28,137					28,137
10 Salaries and associated costs	6	150,740					150,740
11 Property maintenance	8	33,670		2,180			35,850
12 Connexional assessment & model trust levy		33,929					33,929
13 District Assessment & Levy		7,703	32,870				40,573
14 Depreciation							0
15 Office expenses	11	4,814					4,814
16 Other outgoings	12	3,614	1,801	7,202			12,617
17 Total charitable expenditure		262,607	34,671	9,382	0	0	306,660
18 Gains/(losses) on monetary investments							0
19 Gains/(losses) on investment properties							0
20 Net income/(expenditure)		-66,779	390,585	-1,032	0	0	322,775
21 Transfers between funds	17	-637,884	636,853	1,031			0
22 Other gains/(losses)							
23 Net movement in funds		-704,663	1,027,438	-1	0	0	322,775
24 Total funds brought forward		3,070,864	-81,519				2,989,345
25 Total funds carried forward		2,366,201	945,919	-1	0	0	3,312,120

METHODIST CHURCH SOUTH ESSEX CIRCUIT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

Statement of Financial Activities (SOFA) for the year ended 31 August 2024

	Notes to the accounts	General Fund (Unrestricted) £	Circuit Model Trust (Unrestricted) £	Designated Funds (unrestricted) £	Restricted Funds £	Endowment Funds £	2023-24 £
Income							
1 Donations and legacies							0
2 Income from monetary investments		22,583					22,583
3 Income from investment properties	3	13,500					13,500
4 Assessments on Churches	4	182,833					182,833
5 Capital Receipts	5	445,920					445,920
6 Grants received		0					0
7 Other charitable income		0					0
8 Total income		664,836	0	0	0	0	664,836
Expenditure							
9 Grants and donations							0
10 Salaries and associated costs	6	133,958					133,958
11 Property maintenance	8	54,692					54,692
12 Connexional assessment & model trust levy		8,455					8,455
13 District Assessment & Levy		38,912					38,912
14 Depreciation							0
15 Office expenses	11	6,573					6,573
16 Other outgoings	12	13,445					13,445
17 Total charitable expenditure		256,035	0	0	0	0	256,035
18 Gains/(losses) on monetary investments			15,768				15,768
19 Gains/(losses) on investment properties							
20 Net Income/(expenditure)		408,801	15,768	0	0	0	424,569
21 Transfers between funds							0
22 Other gains/(losses)							
23 Net movement in funds		408,801	15,768	0	0	0	424,569
24 Total funds brought forward		2,662,063	(97,287)				2,564,776
25 Total funds carried forward		3,070,864	(81,519)	0	0	0	2,989,345

METHODIST CHURCH SOUTH ESSEX CIRCUIT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

ting and accounting policies

I Accounting standard

The financial statements have been prepared in accordance with the 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 - (Charities SORP FRS 102)

ii Public benefit entry

The Methodist Church South Essex 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 (including properties) are shown at their market value at the end of each year. The accruals basis has been used and trustees present accounts that show a true and fair view of the Circuit's 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 SORP 2015

These accounts are compliant with FRS102 and with FRS102 SORP. The accounts have been prepared in accordance with applicable charity law in England, this being the Charities Act 2011 and SI 2008/629 (Charities accounting and Reporting regulations) and, pending the making of replacement Regulations specific to SORP 2015 in accordance with Reg.8 (4) (d) of SI 2008/629, the Charity trustees have departed from the requirements of Reg.8 (5) by following SORP (FRS102) instead of SORP 2005 to extent necessary to give a true and fair view in the circumstance.

Vi Going Concern

METHODIST CHURCH SOUTH ESSEX CIRCUIT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

Based on the monetary assets and human resources available at 31st August 2025, the trustees believe that the Circuit is a going concern.

Vii Consolidation

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

Viii Income recognition

Income is brought into accounts 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 an agent in two matters:-

- The Collection from churches and payments over of their contributions to various funds controlled and administrated by the Methodist Church- "Connexional Funds"
- The Administration (application, collection and disbursement) 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 income of either the Connexion or Churches as appropriate. Instead the transactions are disclosed in the notes to the Accounts as required by SORP (FRS 102) module 19, 12.

In accordance with the Charities SORP (FRS102), the time of volunteers is not recognised. Further information on this matter is provided in the Trustees' Annual Report. If goods are donated, a value will be shown in the SOFA or Notes where the value is considered material.

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

METHODIST CHURCH SOUTH ESSEX CIRCUIT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

Grants made by the Circuit from its own funds are recognised in full at the time of agreement to make the grant **without** performance conditions or as and when the circuit accepts that there is a legal or operational obligation to make the payment if it is subject to performance conditions. When the grant to be accrued is recurrent over more than one year the balance payable in future years, discounted to net present value where the difference is material is treated as a provision being released in future years in accordance with the originally agreed terms. In the cases where the grant has been charged to one fund but for ease of payment has been transferred to another fund any future payment provision is applied to the fund from which the grant will ultimately be paid.

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 residential properties are shown in the accounts at the revalued amount or cost if purchased within last two years. The all properties were revalued at 1st September 2020. A new policy has been introduced which re-values one property a year on a four year rotation. No depreciation is being provided because the trustees consider the current residual value of the properties in their present condition to be not less than the historical cost and, in the absence of any impairment, any depreciation provision for the buildings component of the properties would be immaterial. The Circuit has made use of the deemed cost option on transitioning to FRS102 as outlined above.

Xiii Investment Property

From time to time the Circuit may hold residential property (formerly manses) which is surplus to its normal staffing requirements. Where this is the case and it anticipated that the property is unlikely to be used as a manse within a periods 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 reasons not to do so in furtherance of the Circuit's charitable objectives.

Xiv Receivables and payables: Bank and Cash (basic Financial Instruments)

METHODIST CHURCH SOUTH ESSEX CIRCUIT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

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 fund balances are shown at their reasonable values.

Xv Methodist Connexional Funds

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

Xvi Funds

The Trustees have adopted a policy for all unrestricted reserves which is attached as a separate document.

Xvii Minsters' manse costs

The Circuit is required to provide accommodation for each minister and pastor in the Circuit and their families and this is seen as a benefit to the Church. Minister and pastors are expected to occupy the manse provided for them. The Circuit bears the cost of the repairs, maintenance, buildings insurance, council tax and water charges. These figures are not separately disclosed as benefits-in-kind for minsters or pastors as HMRC does not seek to tax these receipts in the hand of them.

2. Funds

The funds held constitute: General Funds held for any purpose of the Circuit which are Unrestricted. The Circuit Model Trust Fund has wide purposes defined in Standing Orders and is categorised as unrestricted. Restricted funds which are held for a narrower purpose. There are no Endowment funds. Details of each material fund are disclosed in the final note to these accounts. Any funds may be represented by more than just cash.

3. Income from investment Property

METHODIST CHURCH SOUTH ESSEX CIRCUIT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

The trustees had determined that the properties listed below were unlikely to be returned to use as a manse in the foreseeable future and have therefore classified the same as an Investment Properties. Letting income is shown gross of fees and repairs

	General Fund	CMTF Designated	Total
	£	£	£
Meadow Rise	<u>11,265</u>		<u>11,265</u>
	11,265		11,265

4. Assessments on Churches

The Circuit comprises 8 Churches and each is assessed for a contribution to meet the overall net costs of the Circuit. In making its Assessment budgeted income from investment income including property letting, and conformed external grants are taken into account. The Circuit aims to cover all its core costs from the assessment.

The assessment is paid on a quarterly basis in advance and payment in advance, made at August end, is held as a creditor on the Balance Sheet.

Assessments received in the General Fund as shown below:-

	£
BILLERICAY	70,000
GRAYS	12,000
HORNDON-ON-THE-HILL	10,500
LANGDON HILLS	18,670
LINFORD	7,000
ST. PAUL'S	21,946
TRINITY	22,484
WICKFORD	<u>16,548</u>
TOTAL	179,148

5. Capital Receipts

During the year to 31st August 2025 St Andrew Methodist church, Herongate was sold. After deduction of the levy by the Methodist Church the circuit received £401,548. Partly offsetting this is the £7,202 of professional fees the circuit incurred in this matter.

METHODIST CHURCH SOUTH ESSEX CIRCUIT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

6. Stipends, Salaries and associated costs

Stipends

Stipends were paid to 3 Presbyters (2024/25) out of unrestricted funds as follows

	General £
Stipends	96,162
National Insurance /Other	13,811
Pension Fund Contribution	16,834
Travel	<u>6,370</u>
Total Stipends	133,177

The Circuit employs lay staff involved in administration work and the costs are below:

Administration Staff

	General £
Stipends	14,116
National Insurance / Pension	327
Self employed Finance Admin	<u>3,120</u>
Total staff related items	150,740

Pension

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

Lay employees are contractually employees and have the option of joining a pension scheme which the circuit has arranged with Nest Pensions. This is a defined benefit scheme and the circuit contributes as employer to the scheme.

The Connexional accounts for both pensions' schemes show the figure in the annual Methodist Church in Great Britain accounts. The MMPS is in deficit but a plan for removal of this deficit has been proposed and is being implemented.

METHODIST CHURCH SOUTH ESSEX CIRCUIT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

7. Costs of Superintendents, Presbyters and Trustees

The Superintendent of the Circuit, the Presbyters and the remaining members of the CLT are considered as Key Management Personal. The Superintendent chairs meeting of the CLT and Circuit Meetings. The members of the Circuit meeting are the trustees of the Circuit. The stipends, employers 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 this as a benefit in kind in the hands of the minister.

Payments to Trustees

The Circuit policy is to reimburse members of the CLT and other trustees for expenditure properly incurred in carrying out their duties, including where appropriate travelling expenses, or where they have been requested to undertake certain activities for the Circuit. The Superintendent Minister and other presbyters undertake the primary executive roles within the Circuit. None of the trustees is an employee of the Circuit nor was in receipt of any payment for work undertaken on behalf of the Circuit other than reimbursements of appropriate expenses.

8. Property Expenses

The Circuit is Managing Trustees for three manses and one investment property which is let on an assured shorthold tenancy. With the exception of the let property the circuit is responsible for the payment of Council Tax, water rates. In addition the Circuit is responsible for insurance and maintenance on all properties. Bills for St Andrew's herongate (in designated fund) are included as far as sale, with any subsequent refunds netted off.

Expenditure on properties is as follows:

METHODIST CHURCH SOUTH ESSEX CIRCUIT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

	General (Manse) £	General (Let Prop) £	Designated (St Andrews) £	Total £
Council tax	9,280	0	0	9,280
Water Supply	2,743	0	0	2,743
Insurance	3,017	1,040	1,727	5,784
Maintenance	10,257	1,645	453	12,355
Management Fees	0	1,810	0	1,810
Telephone	<u>3,878</u>	<u>0</u>	<u>0</u>	<u>3,878</u>
TOTAL	29,175	4,495	2,180	35,850

9. Connexional assessments and levy

The Connexional Assessment is calculated relative to the proportion of Church Members, and staffing (Presbyters and Mission staff only) of all the Circuits in the Beds, Essex & Herts District 50% of the overall cost is calculated using the relative membership proportions and 50% using relative staffing proportions.

10. District Assessment and Levy

The District Assessment is calculated relative to the proportion of Church Members, and staffing (Presbyters and Mission staff only) of all the Circuits in the Beds, Essex & Herts District 50% of the overall cost is calculated using the relative membership proportions and 50% using relative staffing proportions.

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

11. Office and Administration Cost

General	CMTF	Total
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	£	£	£
Rent	3,139		3,139
Software / other	338		338
Hire of Photocopier	<u>1,337</u>		<u>1,337</u>
TOTAL	4,814	0	4,814

12. Other Outgoings

	General	CMTF	Designated (St Andrew's)	Total
	£	£	£	£
Professional Fees	950		7,202	8,152
Independent Examiner	640		0	640
TMCP Admin	0	1,801		1,801
Mission Work	1,817			1,817
General Expenses	<u>207</u>	<u> </u>	<u> </u>	<u>207</u>
TOTAL	3,614	1,801	7,202	12,617

13. Investment Management

During the year Circuit paid TMCP, the custodians of the Circuit's investments (Circuit Model Trust Fund and Restricted Funds) management charges based on 0.2% of the value of the individual funds at the beginning of the year. The amount was £590. (2022-23 £994).

14. Manses and Other Properties

There are three Manses located in Basildon, Billericay and Stanford Le Hope. The investment property is located in Billericay. These properties were revalued at 31 August

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2020 by Smith Lachter but a new policy has been introduced this year to re-value one property on a rotation basis. This year 93 Mountnessing Road was valued at £800,000.

There is no Office equipment, these are charged to the General Fund when purchased.

15.1 Cost or Valuation

	Investment		
	Properties	Manses	Total
	£	£	£
Balance Brought Forward	425,000	1,880,000	2,305,000
	425,000	1,880,000	2,305,000

Schedules of Manse and Investment Property

15.2 Property	Type	Valuation
		£
93 Mountnessing Rd- Billericay	Manse	800,000
86 Meadow Rise- Billericay	Investment	425,000
61 Vowler Road	Manse	560,000
198 Southend Road	Manse	<u>520,000</u>
		2,305,000

16. Investment Assets and Trustees for Methodist Church Purposes (TMCP)

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The funds that support the Circuit Model Trust Fund and the Circuit's other funds (as listed below) are held by TMCP in the Trustees Interest Fund on which interest is credited to the accounts each month. These are regarded as medium-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 agents 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 policy as determined by the Methodist Conference.

17 Debtors and Prepayments

The following sums were outstanding at year end:

	General	CMTF	Total	2024
Debtors and Prepayments	£		£	£
Stipends	10,953		10,953	10,362
Grant repayment	1,436		1,436	0
Assessment	<u>6,500</u>		<u>6,500</u>	<u>0</u>
TOTAL	18,889		18,889	10,362

18. - Central Finance Board (CFB) and Bank Balances

Monetary balances held at the Central Finance Board of the Methodist Church and at Santander are all available on demand without loss of interest. Deposits with the CFB are specifically designated to the appropriate funds.

	General Fund	CMTF	2024
	£	£	£
Central Finance Board	59,770		100,514
TMCP Trustee Account		945,919	335,353
Bank account	<u>28,674</u>	<u> </u>	<u>59,635</u>
TOTAL	88,444	945,919	495,502

19. Creditors, Accruals and Income in Advance

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TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

The following sums were outstanding at year end:

Creditors and Accruals

	General	CMTF	Total	2024
	£	£	£	£
Assessments	40,784		40,784	40,458
Other creditors	809		809	0
Grant payable	3,899		3,899	0
Examiners Fees	<u>640</u>		<u>640</u>	<u>640</u>
	46,132		46,132	41,098

20. Unrestricted Funds

20.1 General Fund

The purpose of this 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. Some 91% of this fund is held as a freehold property, being manses for ministers and investment property.

20.2 Circuit Model Trust Fund

The purpose of this fund is for use at the discretion of the trustees in 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. Methodist Standing Orders 930, 931 and 917 (2) are applicable.

20.3 Analysis of Reserves by Net Assets

As shown on face of balance sheet: the unrestricted general reserve is made up of circuit Fixed Assets, as well as Current Asset (Debtors and Creditors) and a proportion of the cash and investments. CMTF Trust items are shown separately.

21. Summary of Fund Movements

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	Opening Balance	Income	Expenses	Transfers	Closing Balance
General (unrestricted)	3,070,864	195,828	262,607	-637,884	2,366,201
CMTF Fund	-81,521	425,256	34,671	636,853	945,919
(St Andrews)	0	8,351	9,382	1,031	0
TOTAL	2,989,345	629,435	306,660	0	3,312,120

22. Related Parties

None of the Circuit trustees made donations direct to the Circuit during the year or in the preceding year. All of the Circuit trustees are members of one or another Church within the Circuit and may be trustees of their Churches.

Related parties including the Methodist Conference, the BE & H District and Churches within the Circuit, other Methodist Districts in Great Britain, CFB and TMCP.

23 Volunteer Contribution

Every Entity (Connexion, District, Circuit and 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. In the Circuit the principal contribution is by serving on committees of the Circuit that deal with the mission, manses, finance, policy, grants, training and safeguarding. We are grateful to all of them for their help and commitment. No attempt has been made by this Circuit to value the non-monetary value to the Circuit.

24 Capital commitments and contingent liabilities

The Circuit has no contracts or obligations.

25 Independent Examiner

The fees payable to the independent Examiner in the sum of £640 (2024 £640) have been provided for in these accounts. The examiner has provided no additional services during the year.

26. Glossary of Terms

METHODIST CHURCH SOUTH ESSEX CIRCUIT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

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

Church: a group of members from fewer than 10 to more than 100.

Circuit: a group of Methodist Church near each other, typically between 10 and 20

Circuit Meeting: The trustees of the Circuit. Most of whom are appointed local churches and others by virtue of a role they undertake for the Circuit and/or their local churches.

CLT (Circuit Leadership Team): A Group (comprising mostly; but not exclusively) of Circuit trustees responsible for the day to day administration and policy formulation of the Circuit. Generally the CLT comprises the Presbyters (Ministers) and pastors stationed within the Circuit, the Circuit Stewards and the Circuit Treasurer.

CMTF : Circuit Model Trust Fund

Connexion: The designated and/or Restricted Funds held and administered by the connexion in the furtherance of its charitable and mission objectives

District : a group of contiguous circuits, usually 15 and 30

DAF: District Advance Fund

FRS: Financial reporting standard

HMRC: His Majesty's Revenue and Customs

Lay Employees: Personal employed by the Circuit on generally accepted commercial employment terms.

MMPS; Methodist Ministers Pension Scheme

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

Pension Trust: The pension Trust, the organisation through which the Circuit arranges a pension's scheme for its lay employee.

Presbyters (including superintendent) Probationer or ordained Methodist Ministers who have pastoral and administrative responsibility for the Churches within the Circuit.

SOFA: Statement of Financial Activities

SORP: Statement of recommended practice

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TMCP: Trustees for Methodist Church Purposes, the legal owner and Custodian Trustees of all Methodist Model Trust Property, including legacies, endowments and accumulated Funds.

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE METHODIST CHURCH SOUTH
ESSEX CIRCUIT CHARITY COMMISSION REFERENCE NUMBER 1134269**

METHODIST CHURCH SOUTH ESSEX CIRCUIT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2025

I report on the accounts of the Methodist Church South Essex Circuit Charity for the year ended 31st August 2025.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination and I believe that:

- Accounting records were kept in respect of the Trust as required by section 130 of the Act.
- The accounts accord with those records.
- The accounts comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

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

Signed:  Date 5/5/2026

Mayor Cuttle & Co, Suite 7B Aquarium 101 Lower Anchor Street, Chelmsford, CM2 0AU