

THE METHODIST CHURCH - CHELMSFORD CIRCUIT

Circuit No 34/09

FINANCIAL STATEMENTS AND TRUSTEES REPORT

YEAR ENDED 31 AUGUST 2022

Registered Charity Number 1134390

The Methodist Church - Chelmsford Circuit is part of the
Bedfordshire, Essex & Hertfordshire District of the Methodist Church
Circuit reference 34/09

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THE METHODIST CHURCH-CHELMSFORD CIRCUIT

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022

Trustees' Report

The Trustees of The Methodist Church-Chelmsford Circuit are pleased to present their Annual Report and Accounts for the Methodist year ended 31 August 2022.

Governing document and objectives

The Circuit is governed by the Methodist Church Act 1976, the deed of Union and the Model Trusts 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; (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 Circuit has taken into account the Charity Commission's public benefit guidance on advancing a Charity's aims when carrying out its range of activities. The trustees consider that these provide benefit to those who worship in our Churches and to the wider community in the Circuit.

Activities

Our mission is to provide support, training and resources to the churches in the Chelmsford Methodist Circuit in order that they may fulfil their mission of bringing the love of God in Christ to the communities they serve. The Methodist Churches involved are Trinity, Moulsham Lodge and Hall Street all based in Chelmsford, Broomfield, Reality Church-Hatfield Peverel, Maldon, Witham and Halstead. Also included are five Local Ecumenical Partnerships in Braintree, Coggeshall, Great Notley, South Woodham Ferrers and North Springfield.

The Circuit acts as an umbrella organisation for these Churches and provides the staff to take services and care for members. It provides training and support to members of the Churches for mission to the communities around these Churches.

Organisational Structure

Overall control rests with the Methodist Conference. The Connexional office implements decisions made by Conference and is also responsible for the stationing of Ministers to this Circuit. Connexional decisions are passed to the Chair of the District and the appropriate Officers of the District for regional implementation. This Circuit is part of the Bedfordshire, Essex and Hertfordshire District.

The District passes control down to Circuit level for local implementation by the Superintendent Minister, supported by ministerial staff and Circuit stewards. Authority is delegated to the Circuit Meeting for the invitation to and appointment of Ministerial staff and lay employees. In addition to this, the Circuit meeting is charged with the care and maintenance of Ministerial housing and the agreement of the Circuit financial budget and the financial accounts. The Circuit meeting is also required to ensure all property and financial reports of the individual Churches are received in a timely fashion. All members of the Circuit meeting are Trustees to the Circuit and are listed at the end of this report.

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022

Report for the Year

Aims and objectives for 2021/22

The main aims of the Circuit for 2021/22 were as follows:

- To support and encourage churches in developing strategies for recovery post Covid.
- To continue with pastoral care for our churches and the wider community as we emerge from the pandemic.
- To continue to roll out the Circuit environmental strategy and to assist Churches and members in making relevant changes.
- To continue to consider how mission may be understood and implemented in a rapidly growing and changing county.
- To continue to strive to provide a welcoming, safe and loving environment for all we come into contact with.

Specific objectives for the year were as follows:

- To consider the Connexional Strategy for Evangelism and Growth 'God for All' and develop a plan for implementing some of the ideas across the Circuit, using the 'Take Your Next Steps in Evangelism and Growth' materials for guidance.
- To recruit a new Circuit Treasurer.
- To continue and extend the Schools and Family Worker project within the Maldon section of the Circuit.
- To find a way to assist Ukrainian refugees locally.

Progress during the year

- At the start of the 2021/22 year, recovering from the effects of the global Covid pandemic was still the key factor in short term planning for the Circuit and individual churches. The pandemic restrictions started in March 2020. After two periods of complete lockdown, churches were once again able to open for worship during Summer 2021, with Covid precautions continuing. More activities resumed from September 2021. The numbers attending our churches or hiring our premises have gradually increased as the Covid restrictions have ended, but have not returned to pre-Covid levels. This has resulted in a considerable reduction in income for the individual churches and the need to use past church reserves to meet the Circuit assessment.
- Circuit wide 'Healing and Hope' services were held in Trinity, Maldon, South Woodham Ferrers and Witham in November 2021 to acknowledge the losses caused by the pandemic and pray for healing and hope for our communities.
- Circuit wide weekly prayers continued on Zoom. A Circuit Bible study was held online during Lent, entitled 'Life changing stories; scripture from the margins'.
- Using the materials in 'Take your Next Steps in Evangelism and Growth', a presentation was made to the Circuit meeting entitled 'A response to Covid restrictions: Thoughts on outreach'. This gave some practical suggestions for engaging with groups using our church premises.
- In 2021 the Circuit Leadership Team of the Chelmsford Methodist Circuit appointed a Circuit Steward tasked with highlighting our responsibility towards the environment across the circuit. A strategy was developed with a number of aims. Resulting from this, 3 of the churches in the circuit have been awarded the Bronze ECO church award and a further three have registered that they the whole of are working towards this. The award represents the work that churches are

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022

doing to embed creation care throughout church life; worship, land and buildings, community engagement and lifestyle. We are currently working towards the ECO circuit award.

- A new Circuit Treasurer, Adrian Nunn, was recruited from February 2022.
- The weekly lunchtime sessions for Years 3-6 in St Andrew's Primary School, Hatfield Peverel resumed face to face in September 2021. A new initiative, Creative Church was started on Saturday morning in South Woodham Ferrers in April 2022. These sessions were run by the Schools and Family Worker and the minister with the assistance of the local congregations. Unfortunately, the Schools and Family Worker relocated in July 2022, and we have not yet found a replacement. In the interim, the ministry in St Andrew's Primary School and in South Woodham Ferrers are being run by the Minister and his wife with the local congregation assisting them. The Circuit meeting approved the extension of this project for 3 years from September 2022.
- The Circuit looked at the possibility of making the Circuit's rental property available to a Ukrainian family, but this was not possible due to Charity Commission restrictions on the use of investment assets. It was subsequently agreed to set up a restricted fund for donations to offer assistance with housing costs to any refugee within the area of the Circuit. The Circuit agreed to match any donations received, up to a total of £5,000. This scheme started in November 2022.
- CLT and Circuit meetings continued to be held on Zoom during much of 2021/22 due to the Covid restrictions. Many members were appreciative of not having to travel long distances to meetings, but this had some detrimental effects on the sense of cohesion within the Circuit. It was agreed to meet in person in future, where possible, but to offer a Zoom option for those with long distances to travel.

Aims and objectives for 2022/23

The main aims of the Circuit for 2022/23 are as follows:

- To review the mission plan of the Circuit and produce a 5 year strategic plan for the Circuit.
- To support the churches in the Circuit in to review their mission plan and strategy with specific targets by 31 August 2023.
- To continue with pastoral care for our churches and the wider community.
- To work towards becoming an Eco Circuit and to assist Churches and members in making relevant changes.
- To recruit a new Schools and Family Worker and continue and extend the work done with schools and families.
- To continue to strive to provide a welcoming, safe and loving environment for all we come into contact with.

Staffing

Revd. Mark Pengelly is the Circuit Superintendent and is responsible for the ministry of the Chelmsford section.

Revd. Barry Allen is responsible for the ministry of the Maldon Section and was also acting Circuit Superintendent during Revd. Mark's 3 month sabbatical from May to July 2022.

Revd. Sue King continues to have pastoral responsibility for the church and community in Halstead.

Deacon Ramona Samuel works within the Chelmsford Section to support the Superintendent in ministry within the Chelmsford Section.

Heather Simmonds worked in the Circuit as a Student Presbyterian for a second year.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022

Sandie Hulbert continued as Family and Schools worker for the Maldon Section of the Circuit but resigned in July 2022 due to relocation.

Karen Murrell is the Circuit Administrator, based in Chelmsford.

Esther Burton continued as Circuit Safeguarding Officer.

Adrian Nunn started as Circuit Treasurer in February 2022. Prior to this, Rosemary Bailey was acting Circuit Treasurer from October 2021.

Training

Training for local preachers is on-going as part of the Local Preachers and Leaders of Worship quarterly meetings.

In October 2021 our Circuit hosted the District Synod at Writtle College. Later that month, several representatives attended a District event about the Methodist 'Strategy for Justice, Dignity & Solidarity'. Our Deacon, Revd. Ramona Samuel was one of the co-presenters.

Representatives from the Circuit attended the District Synod in Spring 2022 and October 2022. Members of the Circuit Staff continue to attend on line District Training events.

Support

Individual Circuit stewards attended Church Council meetings held throughout the year personally when permitted or via Zoom. They take note of issues raised at these meetings and report back to the Leadership team. The Circuit offers encouragement and advice to local Churches on the many and varied projects undertaken in their local communities. A regular Circuit Newsletter is produced which has helped churches to share what they do and how they have found new ways of reaching our local communities.

Ministers are supported by the Circuit Stewards personally and in terms of the properties they occupy.

Risk Management

The major risks are kept under review by the Circuit Leadership Team. Regular guidance has been issued to churches by the Connexion in response to the Covid pandemic about Covid related Health and Safety procedures and regulations.

Income and expenditure is monitored and compared with the approved annual budget. During the year, the effect of the Covid restrictions on individual churches' income has been discussed with Church treasurers.

Safeguarding

The Circuit has adopted the Connexional Safeguarding Policy. The Circuit is committed to providing support, advice and training for lay and ordained people that will ensure they are clear and confident in their roles and responsibilities in safeguarding and promoting the welfare of children and adults who may be vulnerable.

The provision of Safeguarding training is covered by the ongoing work of our Safeguarding Officer. Church safeguarding officers have been attending online training. Connexional guidance about best practice for safeguarding during on line church activities has been adopted.

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022

Financial Review

The Circuit is responsible for

- The ministerial oversight and pastoral care of the thirteen local churches in the Circuit.
- The support of a ministry team of 3 Presbyters, 1 Deacon and 3 lay workers (pastoral and administrative support)
- Payment of the Circuit contribution to the District and Connexion, of which a significant part is used to fund the work of the wider Methodist Church
- The maintenance of Circuit properties (3 manses & 1 investment property).

Under Standing Orders the Circuit must meet its financial obligations in relation to the support of its ministers and the maintenance of the manses. In addition the Circuit has a financial obligation to the District to meet a share of its budget.

The Circuit budget is reviewed annually and covers the costs of the above which are met by assessments from each church towards their share of the total cost.

In 2019/20 the Circuit agreed to meet the cost of the salary of the Family & Schools Worker from existing reserves for 2 years, rather than from church assessments. In 2021/22 the cost of this project was met from grants received. The Circuit agreed to continue this project for a further 3 years 2022/23-2024/25 from grants and from funds within the Circuit Model Trust Fund.

General Fund-unrestricted

The General Fund is available to be used for any or all of the purposes of the Circuit.

The purpose of this fund is:

1. To secure and sustain the Circuit's viability and future.
2. To give assurance to the general public that the Circuit, which is a charity, intends to use all the money coming into its care for the purposes of the Charity.
3. To enable the Circuit to fulfil its Mission Policy, which is to encourage and inspire local Churches by offering support, training and resources to enable them to fulfil God's Mission. This policy was approved by the Circuit meeting on 1st April 2009.

The total income of the General Fund in 2021/22 was £202,314 (2020/21 £204,008) and costs were £205,686 (2020/21 £214,295). The net deficit was £3,372 (2020/21 £10,288). The deficit in 2021/22 resulted from increased property costs for the let property at the time of the change in tenancy. The deficit in 2020/21 reflected the planned funding of salary costs from reserves.

The investment property is required to be stated at current market valuation at the year end. In the opinion of the trustees, due to the volatility in the property market caused by the cost of living crisis, there was no change in this valuation at the end of the year (2020/21 increase of £40,950).

The balance of the General Fund at 31 August 2022 was £1,629,116 (2021 £1,631,922), of which £1,532,250 (2021 £1,532,250) is the book value of the 3 manses and 1 investment property and £96,866 (2021 £99,672) is the value of free reserves.

Circuit Model Trust Fund (CMTF)-unrestricted

This fund derives from sales of chapels and manses and is restricted by the Conference. This restriction is an internal regulation though the fund can be used for a variety of purposes, and for the purposes of charity accounting this is an unrestricted fund.

An annual levy is made on this fund to go to the District Advance Fund.

During 2021/22 the Methodist Church in Hatfield Peverel was sold. The congregation now meets for worship in rented premises. The net proceeds of sale of £339,304 were added to the Circuit Model Trust Fund. A levy of £112,912 was paid to the Connexional Priority Fund from the proceeds of sale of the church. The trustees have designated £103,000 from this sale to the Schools & Family Worker project. Other income of the CMTF in 2021/22 was £1,204 (2020/21 £281). Other costs in 2021/22 were £1,472 (2020/21 £1,427). The book value of the investments has decreased by £528 as at 31 August 2022. (2021 increase of £1,304).

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022

The balance of the CMTF at 31 August 2022 is £176,316 (2021 £53,004). The fund holds cash and investments.

Designated Fund-Schools & Family Worker project.

As stated above, £103,000 has been designated to cover the estimated costs of this project not funded by grants from 2022/23 to 2024/25.

Restricted Fund-Schools & Family Worker project

This represents the balance of grants of £9,500 received in 2019/20 from the District Advance Fund (DAF), £3,000 received in 2020/21 from the Garfield Weston Foundation (GWF) and a further £9,500 received in 2021/22 from the DAF. These grants are restricted to meeting the running costs of the Schools & Family Worker project in the Maldon section of the Circuit. The first DAF grant was for the running costs excluding salary, and the GWF grant was for salary costs.

The total income of the Restricted Fund in 2021/22 was £9,500 (2020/21 £3,000) and costs were £12,610 (2020/21 £1,447). The balance of the fund at 31 August 2022 is £6,315 (2021 £9,425).

Endowment Funds - Harriet Walker Charity

This is a permanent endowment with the capital invested through TMCP.

The income for 2021/22 was £641 (2020/21 £412) and costs were £75 (2020/21 £45). The net surplus of £566 (2020/21 £367) was transferred to the General Fund. The book value of the investments has decreased by £1,660 as at 31 August 2022 (2021 increase of £4,097).

The value of the endowment fund at 31 August 2022 is £24,748 (2021 £26,418).

Reserves Policies

General Fund-unrestricted

The Reserves Policy is to hold at least six months' expenditure to meet the District assessment and Circuit manse expenditure. This assumes that churches in the Circuit will continue to meet their agreed contributions to the Circuit Ministerial costs.

Circuit Model Trust Fund-unrestricted

The Charity Commission have agreed that it is appropriate for the trustees to set a separate policy for the management of this fund as follows:

Money held in the Circuit Model Trust Fund that has not been allocated to any specific purpose can be retained for general Circuit purposes including property expenditure on the manses arising from Quinquennial Inspection Reports.

Restricted Fund-Schools & Family Worker project

This fund is to be used for the Schools & Family Worker project in the Maldon section of the Circuit. This project commenced in October 2019 for an initial 2 year period. This was initially extended for a further year to October 2022. The Circuit agreed in May 2022 to continue and extend the project for a further 3 years from September 2022, subject to a possible review and extension from September 2023. A successful application was made for District funding.

Designated Fund-Schools, family & community project

As described above, the Circuit agreed to continue and extend the Schools, Family and Community project within the Maldon section for 3 years from September 2022, subject to review. It was agreed to fund the costs, net of grants, from the proceeds of sale of Hatfield Peverel church. As a result of this decision, funds were transferred from the Circuit Model Trust fund to a new designated fund, to cover the budgeted cost of this project for 3 years.

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022

Endowment Funds - Harriet Walker Charity

This is registered as a separate charity (charity registration number 222146), with trustees appointed by the Circuit. The income is to be used for the local Methodist ministry covering the village of Great Totham and is transferred to the General Fund for this purpose.

Trustees' Recruitment

Whilst the appointment of the Trustees is determined in accordance with the Methodist procedures, it is the aim to ensure that the Leadership team have a broad experience to include pastoral, financial and property matters. Training for Circuit stewards is available at District level.

Trustees' responsibilities

The trustees are required to prepare financial statements for each financial year which 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.
- Prepared accounts on an accrual basis.
- Followed applicable accounting standards.
- Prepared the financial statements on the going concern basis.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Circuit and enables them to ensure that the financial statements steps for the prevention and detection of fraud and other irregularities.

So far as each of the trustees is aware, there is no relevant information that has not been disclosed to the independent examiner and each of the Trustees believes that all steps have been taken that ought to have been taken to make him aware of any relevant information and to establish that the independent examiner has been made aware of that information.

Approval

10/5(2023

The Trustees' Report and the Financial Statements were approved by the Circuit Meeting on 10th May 2023.

Revd.Mark Pengelly
Superintendent



Nigel Murrell
Circuit Leadership Team



THE METHODIST CHURCH-CHELMSFORD CIRCUIT

TRUSTEES AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED

31 AUGUST 2022

The members of The Methodist Church-Chelmsford Circuit are the Charity Trustees, membership being made up of circuit office holders, ministers and representatives appointed by the local churches.

TRUSTEES OF THE CIRCUIT - year ended 31 August 2022

Circuit Ministers

Revd. Mike Pengelly (Circuit Superintendent Minister)
 Revd. Barry Allen
 Revd. Ramona Samuel
 Revd. Sue King

Other Authorised Ministers and Supernumeraries

Revd. Tony Shrimpton
 Revd. Olufemi Cole-Njie
 Revd. Guy Goodall - not a trustee
 Revd. David Dickens- not a trustee

Circuit Stewards

Janis Croom	Senior Steward to 31 August 2022
Jean Brown	resigned 30 September 2021
David Burton	resigned 30 March 2022
Daisy Eledy-Cole	
Gareth Crooks	
Nigel Murrell	Senior Steward from 1 September 2022
Sheridan Pengelly	
Eric Smart	
Esther Burton	appointed 14 September 2022
Adrian Nunn - Circuit Treasurer (not a trustee)	appointed 1 February 2022

Co-opted onto CLT:

Rosemary Bailey - acting Circuit Treasurer	resigned 31 January 2022
David Hodgkinson -Circuit Property Secretary	

Church Representatives

Broomfield	David Hodgkinson	
	Les Steed	
Christ Church Braintree	David Drewett	
	David Gask	from 20 January 2022
Christ Church Coggeshall	Adrian Romano	
	Michelle Milliken	not a trustee
The Church in Great Notley	Lisa Scott	
Hall Street	David Cushion	resigned 1 September 2021
	Peter Batey	
Halstead	Helen Catley	
	Ann Johnson	resigned 1 September 2021
	Revd. Sue King	
	William Larty	
Hatfield Peverel Reality Church	Rosemary Bailey	
	Jane Cook	
	Jeff Hosking	

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

TRUSTEES AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED

31 AUGUST 2022

Maldon	Julie Hill	
	Diana O'Neill	resigned 1 September 2021
	Maureen Crilley	
	Sue Farrell	not a trustee
Moulsham Lodge	Martyn Edwards	
	Robert Griffin	
	Glenda Griffin	
	Clive Pickett	
North Springfield-St Augustine's	J Douglas Hayton	
	Pamela Scammell	
	Carolyn Smith	not a trustee
South Woodham Ferrers	David Carter	
	Judith Radley	
	Tricia Tutin	
	Lynda Speak	
Trinity	Edward Cassels	resigned 1 September 2021
	Roger Fairclough	
	Pam French	resigned 1 September 2021
	Gillian Harrington	
	Carol Kellingray	
	Sheila Mukumba	
	Nigel Murrell	
	Sheridan Pengelly	
Witham	Janis Croom	
	Michael Thompson	
	Revd. Olufemi Cole-Njie	

THE METHODIST CHURCH-CHELMSFORD CIRCUIT
TRUSTEES AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED
31 AUGUST 2022

ADMINISTRATIVE DETAILS

Principal Office
c/o Trinity Methodist Church
Rainsford Road
Chelmsford
Essex CM1 2XB

Bankers

The Co-Operative Bank
P.O. Box 250
Delf House
Southway
Skelmersdale
WN8 6WT

HSBC
The Peak
333 Vauxhall Road
London
SW1V 1EJ

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

The Trustees for Methodist Church Purposes
Central Buildings
Oldham Street
Manchester
M1 1JQ

Circuit Independent Examiner
Mrs J Brace
Mayor Cuttle & Co
Aquarium Suite 7B
101 Lower Anchor Street
Chelmsford
CM2 0AU

THE METHODIST CHURCH-CHELMSFORD CIRCUIT
INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED
31 AUGUST 2022

Name of Circuit :The Methodist Church-Chelmsford Circuit

No 34/09

Declarations and Scrutiny

I confirm that these accruals-based accounts for the year to 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 Senior Circuit Steward *Nc MM* Date..... *10/5/23*

Name: Nigel Murrell, c/o Trinity Methodist Church, Rainsford Road, Chelmsford CM1 2XB

Presentation to the Circuit meeting

I confirm that the annual report and accounts for the year ended 31 August 2022 were presented to the Circuit meeting held on 10th May 2023.

Signature of the Chair of the meeting..... *Mark Pengelly*

Name of the Chair of the meeting:Revd. Mark Pengelly Date *10/5/23*

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED

31 AUGUST 2022

Name of Circuit: The Methodist Church-Chelmsford Circuit

No 34/09

Responsibilities and basis of report

I report to the trustees on my examination of the accounts of The Methodist Church-Chelmsford Circuit for the year ended 31 August 2022 set out on pages 15 to 31. As the Circuit's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

Independent Examiner's Statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination (other than that disclosed below*) which give me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Act; or
- the accounts do not accord with the accounting records; or
- the accounts do not 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
- the trustees' annual report is not consistent with the accounts.

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.

I have obtained independent verification of all investments with the Trustees for Methodist Church Purposes or held in other trusts, bank balances and funds at the Central Finance Board of the Methodist Church which are individually in excess of £10,000 (ten thousand pounds) at the balance sheet date.

Signature of independent examiner 

Name of independent examiner..... JOANNE GRACE

Relevant professional qualification of independent examiner..... FCCA

THE METHODIST CHURCH-CHELMSFORD CIRCUIT
INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED
31 AUGUST 2022

Name of firm: Mayor Cuttle & Co
Address: Aquarium Suite 7B, 101 Lower Anchor Street, Chelmsford CM2 0AU
Date.....18/5/2023

* delete or circle as appropriate

THE METHODIST CHURCH-CHELMSFORD CIRCUIT
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED
31 AUGUST 2022

	Notes to the acc'ts	General Fund Unrest'd	Circuit Model Trust Fund Unrest'd	Design'd Funds Unrest'd	Restrict ed Fund	Endowme nt Funds	Total 2021-22
		£	£	£	£	£	£
Income							
Income from monetary investments		137	1,204	-	-	641	1,982
Income from investment properties	5	15,477	-	-	-	-	15,477
Assessments on Churches	6	184,446	-	-	-	-	184,446
Grants received	7	0	-	-	9,500	-	9,500
Other charitable income	8	2,254	-	-	-	-	2,254
Total income		202,314	1,204	0	9,500	641	213,659
Expenditure							
Grants and donations	9	-	-	-	-	-	0
Salaries and associated costs	10	126,582	-	-	12,176	-	138,758
Property maintenance & other costs	12	29,063	-	-	-	-	29,063
District Assessment & Levy	13	44,492	113,517	-	-	-	158,009
Office expenses & resources	14	4,491	-	-	434	-	4,925
Other outgoings	15	1,058	151	-	-	75	1,284
Total charitable expenditure		205,686	113,668	0	12,610	75	332,039
Gains/(losses) on monetary investments	18	-	-528		-	-1,660	-2,188
Capitalisation of property improvement	17	-	-		-	-	-
Net income/(expenditure)		-3,372	-112,992	0	-3,110	-1,094	-120,568
Transfers between funds		566	-103,000	103,000	-	-566	0
Other gains	16	0	339,304	0			339,304
Net movement in funds		-2,806	123,312	103,000	-3,110	-1,660	218,736
Total funds brought forward		1,631,922	53,004	0	9,425	26,418	1,720,769
Total funds carried forward		1,629,116	176,316	103,000	6,315	24,758	1,939,505

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

STATEMENT OF FINANCIAL ACTIVITIES FOR THE PREVIOUS YEAR ENDED 31 AUGUST 2021

	Notes to the acc'ts	General Fund Unrest'd	Circuit Model Trust Fund Unrestricted	Design'd Funds Unrest'd	Restricted Fund	Endowment Funds	Total 2020-21
		£	£			£	£
Income							
Income from monetary investments		37	281	-	-	412	730
Income from investment properties	5	16,900	-	-	-	-	16,900
Assessments on Churches	6	184,127	-	-	-	-	184,127
Grants received	7	-	-	-	3,000	-	3,000
Other charitable income	8	2,944	-	-	-	-	2,944
Total income		204,008	281	0	3,000	412	207,701
Expenditure							
Grants and donations	9	-	-	-	-	-	0
Salaries and associated costs	10	137,821	-	-	495	-	138,316
Property maintenance & other costs	12	22,676	-	-	-	-	22,676
District Assessment & Levy	13	47,332	1,321	-	-	-	48,653
Office expenses & resources	14	5,612	-	-	952	-	6,564
Other outgoings	15	855	106	-	-	45	1,005
Total charitable expenditure		214,295	1,427	0	1,447	45	217,214
Gains/(losses) on monetary investments	18	-	1,304	-	-	4,097	5,401
Capitalisation of property improvement	17	40,950	-	-	-	-	40,950
Net income/(expenditure)		30,663	158	0	1,553	4,464	36,838
Transfers between funds		367	-	-	-	-367	0
Net movement in funds		31,030	158	0	7,872	4,097	36,838
Total funds brought forward		1,600,892	52,846	0	0	22,321	1,683,931
Total funds carried forward		1,631,922	53,004	0	9,425	26,418	1,720,769

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

BALANCE SHEET AS AT 31 AUGUST 2022

	Notes	General Fund Unrest'd	Circuit Model Trust Unrest'd	Designated Funds unrest'd	Rest'd Fund	Endow Funds	Total 2022	Total 2021
Fixed Assets								
Circuit Manse	17	1,250,000					1,250,000	1,250,000
Investment Properties	17	282,250					282,250	282,250
Total Fixed Assets		1,532,250	0	0	0	0	1,532,250	1,532,250
Current Assets								
Investments with TMCP	18		176,316			24,758	201,074	79,422
Debtors & Prepayments	19	12,964					12,964	11,934
Cash at Bank	20	85,652		103,000	6,315		194,967	98,638
Total Current Assets		98,616	176,316	103,000	6,315	24,758	409,005	189,994
Current Liabilities								
Creditors (due in under 1 year)	21	1,750					1,750	1,475
Total Current Liabilities		1,750	0	0	0	0	1,750	1,475
Net Current Assets		96,866	176,316	103,000	6,315	24,758	407,255	188,519
Total assets less current liabilities		1,629,116	176,316	103,000	6,315	24,758	1,939,505	1,720,769
Long term liabilities (due after more than 1 year)		0	0	0	0	0	0	0
Net assets		1,629,116	176,316	103,000	6,315	24,758	1,939,505	1,720,769
Funds of the Circuit								
General Fund (Unrestricted)	22-24	1,629,116					1,629,116	1,631,922
General Fund (Allocated)	22-24			103,000			103,000	0
CMTF (Unrestricted)	22-24		176,316				176,316	53,004
Total Unrestricted Funds		1,629,116	176,316	103,000	0	0	1,908,432	1,684,926
Restricted Funds	22-24				6,315		6,315	9,425
Endowment Funds	22-24					24,758	24,758	26,418
Total Funds		1,629,116	176,316	103,000	6,315	24,758	1,939,505	1,720,769

The notes on pages 18 to 31 form part of these accounts

Approved by the trustees of The Methodist Church-Chelmsford Circuit and signed on their behalf



Revd. Mark Pengelly, Superintendent Minister

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 AUGUST 2022

Note 1 Basis of accounting

The financial statements have been prepared under the Charities Act 2011 in accordance with the 2014 version of Accounting and Reporting by Charities: Statement of Recommended Practice(SORP)applicable to charities preparing their accounts in accordance with FRS102-the Charities SORP (FRS 102)October 2019 update.

Note 2 Funds

The funds held comprise:

Unrestricted General Funds held for any purpose of the Circuit.

The Circuit Model Trust Fund which has wide purposes defined in Standing Orders and is categorised as unrestricted.

Restricted funds are those held for a narrower purpose. The Circuit has one restricted fund, a grant received for the Family & Schools Worker project in the Maldon section.

Designated Funds -The trustees have voted to reserve these funds for the Family & Schools Worker project in the Maldon section.

Endowment funds are those for which the capital is invested, and the income may be used for specified purposes. The Circuit has one endowment fund.

Note 3 Accounting policies

Basis

These accounts have been prepared on the basis of historical cost or valuation as at 2015, except that investments (including a property) are shown at their market value at the end of the year. The accruals basis has been used to show a true and fair view of the Circuit's financial position and activities.

Income recognition

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

In accordance with the Charities SORP (FRS102), the time of volunteers is not recognised

Expenditure

This 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.

VAT

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

Tangible fixed assets

Tangible fixed assets are capitalised if they can be used for more than one year, and individually cost at least £1,000. All properties are freehold and the estimated land component of all properties is indicated in note 16 to the accounts. Fixtures and fittings within the properties are not valued separately from the building value.

No depreciation is provided on buildings since the Trustees consider the current residual fair value of the manse buildings to be not less than their current value. Any depreciation would not be material.

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 AUGUST 2022

Note 3 Accounting policies (continued)

Investment Property

The Circuit owns one residential property (formerly a manse) which is surplus to its normal staffing requirements. This property is currently let on an Assured Shorthold Tenancy and is classified as an investment property. The property is valued in the accounts at fair value, being open market value, net of estimated costs of disposal.

Monetary investment assets

The investment assets of the Circuit Model Trust Fund and the Endowment Fund are held by the Trustees for Methodist Church Purposes (TMCP) as custodian trustees. The valuations, at market value, are those provided by TMCP.

Debtors

Debtors include assessments due by the end of August and are stated at the amounts owed to the Circuit. The prepayment is the monthly ministerial stipends paid in advance to Methodist Church central payroll at the end of August, for stipends due on 1 September.

Creditors

Creditors include trade creditors and expenses incurred before the year end, at the amounts subsequently paid.

Going concern

To the best of their knowledge and belief the Trustees confirm that there are no material uncertainties that would call into question the Circuit's financial viability for at least 12 months from the date of the approval of these accounts.

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 those Churches and their governing bodies except in extreme circumstances. For this reason, the financial statements of Churches within the Circuit are not consolidated into these financial statements.

Grants

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.

Ministers' manse costs

The Circuit is required to provide accommodation for each minister in the Circuit and their families and this is seen as a benefit to the Church. Ministers are expected to occupy the manse provided for them. The Circuit bears the cost of repairs, maintenance, buildings insurance, Council Tax and water charges. These figures are not separately disclosed as benefits-in-kind for ministers as HMRC does not apply any tax charge.

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 AUGUST 2022

Note 4 Glossary of terms

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 those entities.

Church: a group of members relating to a specific Church

Circuit: a group of Methodist Churches near each other, and overseen jointly

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

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 lay staff stationed within the Circuit, the Circuit Stewards and the Circuit Treasurer

CMTF: Circuit Model Trust Fund

Connexion: The Methodist Church in Great Britain which includes the Head Office at Methodist Church House, all Methodist Districts, Circuits and Churches in Great Britain.

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

CPF : Connexional Priority Fund

District: a group of contiguous Circuits linked geographically.

DAF: District Advance Fund

FRS: Financial reporting Standard

HMRC: Her Majesty's Revenue and Customs

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

MMPS: Methodist Ministers' Pension Scheme

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

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

TMCP: Trustees for Methodist Church Purposes, the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds

Note 5 Income from Investment Properties

The trustees have determined that the property owned at 10 Wickfield Ash, Chelmsford is unlikely to be returned to use as a manse in the foreseeable future and have therefore classified it as an investment property.

Note 6 Assessments on Churches

The Circuit comprises 13 churches and each is assessed for a contribution to meet the overall net costs of the Circuit. The Circuit aims to cover all its net core costs from the Assessment. The Assessment on Churches is determined annually and calculated as 50% on the membership of each Church and 50% on its income from offerings and Gift Aid. The amount due from the churches which are part of a Local Ecumenical Partnership (LEP) is reduced if another denomination funds the Minister for that church.

THE METHODIST CHURCH-CHELMSFORD CIRCUIT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 AUGUST 2022

Note 6 Assessment or share (continued)	General Fund (unrestricted)	General Fund (unrestricted)
	2021/22	2020/21
Broomfield	18,664	18,115
Christ Church, Braintree (LEP)	7,200	7,200
Christ Church, Coggeshall (LEP)	800	904
The Church at Great Notley (LEP)	1,440	1,841
Hall Street, Chelmsford	4,800	4,800
Halstead	5,500	5,500
Hatfield Peverel	3,268	3,268
Maldon	17,397	17,397
Moulsham Lodge	34,054	34,054
South Woodham Ferrers	11,875	12,000
St Augustine, Springfield (LEP)	2,796	2,396
Trinity, Chelmsford	63,582	63,582
Witham	13,070	13,070
Total	184,446	184,127

These amounts are included in the accounts based on the due date of receipt by the Circuit. They include £2,000 (2021 £400) received after the year end, included in debtors on the Balance Sheet.

Note 7 Grants & Donations received

	Restricted Fund	Total
	2021/22	2021/22
DAF-for Schools & Family Worker project	9,500	9,500
Total	9,500	9,500

	Restricted Fund	Total
	2020/21	2020/21
Garfield Weston Foundation -for Schools & Family Worker Project	3,000	3,000
Total	3,000	3,000

The Circuit received a grant of £9,500 from the District Advance Fund (2021 £3,000 from the Garfield Weston Foundation) towards the running costs of the Family & Schools Worker project in the Maldon section.

THE METHODIST CHURCH-CHELMSFORD CIRCUIT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 AUGUST 2022

Note 8 Other charitable income

	General Fund (unrestricted)	General Fund (unrestricted)
	2021/22	2020/21
Solar energy rebate	2,084	2,477
CJRS Covid support grant	-	467
HSBC Compensation	150	-
Donation	20	-
Total	2,254	2,944

Note 9 Grants & donations paid

No grants or donations were paid in 2021/22 or 2020/21.

Note 10 Stipends, salaries and associated costs

	General Fund (unrestricted)	Restricted Fund	Total
	2021/22	2021/22	2021/22
Stipends & salaries			
Stipends-Ministers	80,568	-	80,568
Salaries -Lay worker & admin	7,514	11,407	18,921
Employers' pension contributions	20,840	-	20,840
Employers' NI contributions	7,642	457	8,099
Apprenticeship levy	532	-	532
Supernumerary fees	1,150	-	1,150
Professional fees-admin contract	5,400	-	5,400
Total stipends & salaries costs	123,646	11,864	135,510
Associated costs			
Ministers' travel	2,286	-	2,286
Lay employees' travel	170	312	482
Payroll fees	480	-	480
Total associated costs	2,936	312	3,248
Total stipends, salaries & associated costs	126,582	12,176	138,758

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 AUGUST 2022

Note 10 Stipends, salaries and associated costs (continued)

	General Fund (unrestricted)	Restricted Fund	Total
	2020/21	2020/21	2020/21
Stipends & salaries			
Stipends-Ministers	82,113	0	82,113
Salaries -Lay worker & admin	22,133	0	22,133
Employers' pension contributions	20,598	0	20,598
Employers' NI contributions	7,415	495	7,910
Apprenticeship levy	509	0	509
Supernumerary fees	550	0	550
Professional fees-admin contract	3,060	0	3,060
Total stipends & salaries costs	136,378	495	136,873
Associated costs			
Ministers' travel	855	0	855
Lay employees' travel	108	0	108
Payroll fees	480	0	480
Total associated costs	1,443	0	1,443
Total stipends, salaries & associated costs	137,821	495	138,316

Stipends were paid to 3 Ministers (2 full-time Presbyters, and 1 Deacon) in 2021/22 and 2020/21, 4 Ministers (2 full-time Presbyters, 1 Deacon and a part-time supernumerary Presbyter). Salaries were paid to 3 part-time lay workers/administrative staff and 1 contractor. The salary costs of the Family & Schools worker were met in 2021/22 from the Restricted Fund funded by grants received and in 2020/21 from the General Fund.

A home telephone and broadband connection is provided for Ministers solely for use on Circuit business and travel costs incurred on Circuit business are re-imbursed against expense claims. The full-time Ministers' manses are provided by the Circuit and the Circuit maintains and insures the properties and meets the cost of Council Tax and water charges. The amounts are not regarded by HMRC as benefits in kind.

No employee received employee benefits totalling more than £60,000.

There is no accrual for holiday pay as it is immaterial, the holiday year ends on 31 August.

Pensions

All ministers are members of the Methodist Ministers' Pension Scheme (MMPS). This is a defined benefit scheme. The Supreme Court held in 2014 that Methodist ministers (which term includes presbyters) 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.

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 AUGUST 2022

Note 10 Stipends, salaries and associated costs (continued)

The Connexion accounts for the MMPS pension scheme and shows the figure in the annual Methodist Church in Great Britain accounts. The MMPS is in deficit but a plan for removal of the deficit has been proposed and is being implemented.

The lay employees are eligible to join the pension scheme which the Circuit has arranged with NEST, a government scheme which allows for defined contributions. The Circuit contributes as an employer to this scheme.

Note 11 Payments to trustees

The Superintendent of the Circuit, the Presbyters and Deacon and the remaining members of the CLT are considered as Key Management Personnel. The Superintendent Minister and other presbyters undertake the primary executive roles within the Circuit. The Circuit Senior Steward chairs meeting of the CLT and the Superintendent chairs the Circuit Meetings. The members of the Circuit Meeting are the trustees of the Circuit.

No trustee received any remuneration for their role as trustee.

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 and reimbursement of purchases on behalf of the Circuit such as maintenance of the manses, or where they have been requested to undertake certain activities for the Circuit such as training.

During the year the sum of £5,360 was reimbursed in this regard to 8 trustees (2020/21 £5,135 to 7 trustees). Of this amount £18 related to manse refurbishments and £5,342 to travel, computer, and office expenses (2020/21 £257 for manse expenditure and £4,878 for travel, computer and office expenses).

Note 12 Property expenses

	General Fund (unrestricted)	General Fund (unrestricted)
	2021/22	2020/21
Property costs-manses		
Insurance	2,564	2,365
Manse Council tax & water	8,635	9,142
Maintenance-manses	5,668	6,534
Quinquennial inspection fee 1 (3 in 2020/21)	650	1,950
Property costs-let properties		
Maintenance-let properties	7,886	517
Agents' fees	3,010	2,164
Quinquennial inspection fee	650	-
Total property costs	29,063	22,676

The Circuit is Managing Trustee for three properties used as manses, (two in Chelmsford and one in Maldon) and one property in Chelmsford let out on an Assured Shorthold Tenancy. With the exception of the let properties, the Circuit is responsible for the payment of Council Tax, water rates, insurance and maintenance. Tenants for the let property were changed in the year, resulting in increased agents' fees (including a new tenant fee) and maintenance costs.

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 AUGUST 2022

Note 13 Connexional & District Assessment and Levy

	General Fund- unrestricted	General Fund- unrestricted
	2021/22	2020/21
District Assessment	<u>44,492</u>	<u>47,332</u>
	CMTF Fund - unrestricted	CMTF Fund - unrestricted
	2021/22	2020/21
District Advance Fund Levy	1,325	1,321
Connexional Priority Fund Levy	<u>112,192</u>	
Total Levies	<u>113,517</u>	<u>1,321</u>

The District Assessment is calculated relative to the proportion of church members, and staffing (Presbyters and Mission staff only) of all Circuits in the Beds, Essex & Herts District. 50% of the overall cost is calculated using relative membership proportions and 50% using relative staffing proportions. The assessment is mainly a contribution to Connexional costs for national support services, discipleship and mission but also includes funding towards the costs of the district office and staff.

The levy for the District Advance Fund is calculated on a sliding scale percentage of the Circuit's CMTF Account balance as at 31 August in the previous accounting period.

There was an additional levy this year for the Connexional Priority Fund, taken from the net proceeds of sale of the Hatfield Peverel church which was sold during the year. The levy of £112,192 is calculated as a proportion of the sale proceeds of £339,304 and is used for Mission work across the Connexion.

Note 14 Office expenses and resources

	General Fund (unrestricted)	Restricted Fund	Total
	2021/22	2021/22	2021/22
Telephone & internet	2,060	-	2,060
Printing, postage & stationery	1,399	-	1,399
IT & video equipment costs	191	-	191
Use of office	500	-	500
Preaching & sundry resources	<u>341</u>	<u>434</u>	<u>775</u>
Total	<u>4,491</u>	<u>434</u>	<u>4,925</u>

THE METHODIST CHURCH-CHELMSFORD CIRCUIT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 AUGUST 2022

Note 14 Office expenses and resources (continued)

	General Fund (unrestricted)	Restricted Fund	Total
	2020/21	2020/21	2020/21
Telephone & internet	1,931	-	1,931
Printing, postage & stationery	1,141	-	1,141
IT costs	1,498	-	1,498
Use of office	500	-	500
Preaching & sundry resources	542	952	1,494
Total	5,612	952	6,564

Note 15 Other outgoings

	General Fund (unrestricted)	CMTF Fund (unrestricted)	Endowment Fund	Total	Total
	2021/22	2021/22	2021/22	2021/22	2020/21
Bank Charges	63	-	-	63	-
Advert	245	-	-	245	-
Gifts & sundries	-	-	-	-	135
Independent examiner's fee	750	-	-	750	720
TCMP admin. fee	-	151	75	226	150
Total	1,058	151	75	1,284	1,005

Note 16 Other gains-Circuit Model Trust Fund

The Methodist Church in Hatfield Peverel was sold during the year. The proceeds of sale net of selling costs were £339,304. In accordance with Connexional Standing Orders, this amount is held by the Circuit in the Circuit Model Trust Fund for Circuit use. The Connexional Priority Fund Levy is taken from this amount (see note 13).

Note 17 Fixed Assets-Manses and Other Properties

	Manse Land	Manse buildings	Investment property	Total	Total
	2021/22	2021/22	2021/22	2020/21	2020/21
Balance brought forward	510,000	740,000	282,250	1,532,250	1,491,300
Revaluation of investment property	-	-	-	-	40,950
Disposals	-	-	-	-	-
Balance carried forward	510,000	740,000	282,250	1,532,250	1,532,250

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 AUGUST 2022

Note 17 Fixed Assets-Manses and Other Properties (continued)

Schedule of Manses and Investment Property

Property	Type	Cost	Valuation	Total
30 Park Ave Chelmsford	Manse	425,000		425,000
4 Rubens Gate Springfield Chelmsford	Manse	475,000		475,000
11 Mirosa Drive Maldon	Manse	350,000		350,000
10 Wickfield Ash Chelmsford	Investment		282,250	282,250
Total		1,250,000	282,250	1,532,250

There are 3 manses in use (3 - 2020/21), 2 located in Chelmsford and 1 in Maldon, which are valued at cost as defined by FRS102. The manse at Park Avenue, Chelmsford was stated at deemed historic cost as at August 2014 in accordance with FRS102. The manse at Maldon is valued at purchase cost in June 2015. The property at Rubens Gate, in North Springfield Chelmsford is valued at purchase cost in October 2014 plus the capital cost of improvements net of impairment in 2018/19.

The property at Wickfield Ash, currently surplus to our requirements, continues to be let on a short-term basis. As it is unlikely that this property will be required in future as a manse it is valued as an investment property at the potential net sale proceeds receivable by the Circuit of £282,250 (2020/21 £282,250). This is based on a trustees' market valuation of £450,000 less the potential costs of sale of £167,750 (£7,750 professional fees and £160,000 payable for the Connexional Priority Fund Levy). 2020/21 figures are: trustees' valuation of £450,000 less £167,750 costs of sale (£7,750 professional fees and £160,000 CPT Levy).

No depreciation is being provided for the manses in use as the trustees consider the current residual value of the properties in their present condition to be not less than their brought forward 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.

Note 18 Monetary Investment Assets

Investments held by Trustees for Methodist Church Purposes (TMCP)

Year end valuation	2021/22 CMTF fund	2021/22 Endowment fund	2020/21 CMTF fund	2020/21 Endowment fund
Common investment funds	7,876	24,758	8,404	26,418
Trustees' Interest Fund	168,440	-	44,600	-
Total	176,316	24,758	53,004	26,418

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 AUGUST 2022

Note 21 Creditors & accruals

	General Fund (unrestricted)	General Fund (unrestricted)
	2021/22	2020/21
Trade creditors & expenses	1,000	755
Accruals-independent examiner's fee	750	720
Total	1,750	1,475

Note 22 Funds

General Fund -unrestricted

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.

Circuit Model Trust Fund (CMTF)-unrestricted

The purpose of the 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 manse 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.

Designated Fund - unrestricted

These are unrestricted funds that have been allocated for the purpose of employing a Family & Schools worker for the next three years. It has been designated by the trustees of the circuit meeting. It can only revert to general funds by the agreement of the same body.

Restricted Fund

The restricted fund comprises the balance of two grants received for the Schools and Families worker project within the Maldon section of the Circuit. The first grant was received in 2019/20 from the District Advance Fund to support the running costs, excluding salary, of the project. The District has given permission for these funds to be carried forward for use in 2021/22. Any funds not used for this purpose will be due to be returned to the District. The second grant was received in 2020/21 from the Garfield Weston Foundation for 2021/22 costs.

Endowment Fund

This is a permanent endowment fund arising from a legacy given by Mrs H Walker. The income can only be used for local religious purposes.

Note 23 Summary of fund movements

THE METHODIST CHURCH-CHELMSFORD CIRCUIT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 AUGUST 2022

	Balances as at 31/08/21	Income	Expendi- ture	Transfe rs	Unrealis ed Gains	Realised Gains	Balances as at 31/08/2022
General Fund	1,631,922	202,314	-205,686	566			1,629,116
CMTF	53,004	1,204	-113,668	103,000	-528	339,304	176,316
Designated	-	-	-	103,000	-	-	103,000
Restricted	9,425	9,500	-12,610	-	-	-	6,315
Endowment	26,418	641	-75	-566	-1,660	-	24,758
Total	1,720,769	213,659	-332,039	0	-2,188	339,304	1,939,505

The realised gain of £339,304 are the net proceeds of the sale of Hatfield Peverel church.

Note 24 Analysis of net assets between funds

Fund balances at 31 August are represented by:

	General Fund (unrest'd)	CMTF Fund (unrest'd)	Designated	Restricted Fund	Endo't Fund	Total
	2021/22	2021/22	2021/22	2021/22	2021/22	2021/22
Tangible fixed assets	1,532,250	-	-	-	-	1,532,250
Current assets	98,616	176,316	103,000	6,315	24,758	409,005
Current liabilities	-1,750	-	-	-	-	-1,750
Net assets	1,629,116	176,316	103,000	6,315	24,758	1,939,505

	General Fund (unrest'd)	CMTF Fund (unrest'd)	Designated	Restricted Fund	Endo't Fund	Total
	2020/21	2020/21	2020/21	2020/21	2020/21	2020/21
Tangible fixed assets	1,532,250	-	-	-	-	1,532,250
Current assets	101,147	53,004	-	9,425	26,418	189,994
Current liabilities	(1,475)	-	-	-	-	(1,475)
Net assets	1,631,922	53,004	-	9,425	26,418	1,720,769

THE METHODIST CHURCH-CHELMSFORD CIRCUIT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 AUGUST 2022

Note 25 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 of the Churches within the Circuit and may be trustees of their Churches.

Related parties include the Methodist Conference, the BE&H District and Churches within the Circuit, CFB and TMCP. One trustee has a related party connection to one suppliers, Dragonfly Educational Consultancy. The trustee declares that they have received no special benefits through these connections. Circuit payments to this supplier was 5,490. (2020/21: 4 Trustees: 4 Suppliers: Total 9,696).

Note 26 Volunteer Contribution

Every entity (Connexion, District, Circuit and Church) within the Methodist Church in the UK is heavily reliant on volunteers who contribute their skills, time and money in the furtherance of the work of the Church. In this Circuit the principal contribution is by serving on committees of the Circuit that deal with the mission, manses, finance, policy, grants and training. 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 contributions to the Circuit in monetary terms.

Note 27 Capital commitments and contingent liabilities.

There are no capital commitments or contingent liabilities on 31 August 2022 (2021 Nil).