



THE METHODIST CHURCH
ANNUAL REPORT AND ACCOUNTS
(ACCRUALS BASIS)
for the year ended 31 August 2023

Sutton Methodist Circuit

Registered Charity - Registration number

1135076

District No / Circuit No 35/39

Ministers

Rev Catherine Hutton
Rev Bethany Lewis
Rev Gill Long
Rev Ung Soon Nguang
Rev Hendry Ponniah
Deacon Marie Poole
Rev Desmond C Williamson

Circuit Stewards

Dr David Gooch
Mrs Maureen Patel
Mr Ka Fai Man
Mr Vijendran Asirwatham
Mrs Jane Barden

Circuit Treasurer

Mr Richard Smith

Sutton Methodist Circuit Trustees' Annual Report

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FOR THE YEAR ENDED 31 AUGUST 2023

Introduction

Sutton Methodist Circuit covers an area in north east Surrey. It is part of the London District. It is registered with the Charity Commission, number 1135076, and its affairs are governed by Deed of Union (1932) and Methodist Church Act (1976). It has been registered at Charities Commission as Sutton Methodist Circuit.

The Mission of the Circuit

The Mission statement of the Sutton Circuit

- enable the churches to proclaim the Gospel of Christ and further God's Kingdom.
- be aware of God's presence through the Holy Spirit in all we do in God's name.
- support each Church in its endeavours to fulfil its potential in responding to opportunities of service and growth.
- enable the staff of the Circuit both ministerial and lay to fulfil their potential in a supportive Circuit environment.
- support ecumenical ventures and to encourage further ecumenical work.

The ministers concentrate on the mission of their local churches but support each other through monthly staff planning and support meetings. The work of the ministers and lay members is supported with prayer. The Circuit Leadership Team (staff and stewards) meet formally at least twice a year to plan and agree policy, and also meet socially on occasions. The Circuit Stewards meet 5 times a year, with the Circuit Superintendent Minister, to oversee the ongoing work of the Circuit and to address the needs of the Circuit and the staff.

Review of the year

- **Mission: Continue encouragement and support, financial or otherwise, of circuit churches to enable mission opportunities to be identified and progressed. Hold a further consultation with church leaders.**
Churches were invited to submit proposals for mission centred projects to be funded by the Circuit. Funding was subsequently agreed for a number of projects.
- **Youth work: Explore means of sustaining and increasing active involvement of young people and young adults across the circuit. Consider the case for a circuit youth worker.**
Discussions continue but the practicality of a youth worker covering several circuit churches is a cause of concern.
- **Wallington Church Development. Progress the development. Support the Wallington leadership and congregation, with special emphasis on sustaining youth work.**
The project has stalled due to inability to reach agreement with the selected developer. The emphasis has now shifted to re-examining the possibility of retaining and refurbishing the current building(s).
- **Diaconal Ministry: Recognise and support the particular strengths of the diaconal ministry at Carshalton and Wallington.**
The Circuit, together with the Carshalton and Wallington Churches, is supporting the newly appointed Probationer Deacon in her progress towards ordination, through individual mentoring and a support group. Pastoral work is recognised as a particular strength.
- **Property: Complete the sale of the Bandon Hill site. Establish the condition of the Tattenham Way property and refurbish either to sell or to let. Prepare the Cheam manse for the incoming minister.**
The sale of Bandon Hill site was completed with the achieved price being several times the initial valuation. The Tattenham Way property was refurbished and let on an initial two year tenancy. The Cheam manse was redecorated on schedule for the new minister and his family.
- **Staffing: Appoint a part time presbyter to the Banstead church and for pastoral support at Epsom. Fill the forthcoming vacancy at the Sutton church either through the stationing process or by other means. Move the Superintendency to the Epsom church.**
The part time presbyter was appointed. The Sutton vacancy was filled through stationing. The superintendency has moved to the Epsom church.
- **Energy Costs: Establish a strategy for targeted emergency support of circuit churches, including the role of the Model Trust Fund.**
No specific targeted funding has been made available for energy cost support but churches are able to apply to the Circuit Development Fund (formerly the Model Trust Fund) for grants towards energy related projects, particularly green energy projects.

Sutton Methodist Circuit
TRUSTEES' ANNUAL REPORT (continued)

■ **Budget: Produce a balanced budget for 2023/24**

A balanced budget has been set for 2023/24, largely because circuit churches have been able to move back toward pre-pandemic 'share' offers and because of increased investment income due to rising interest rates.

■ **Long Term Strategy: Commence discussions on the long-term scenarios for the smaller congregations, including the Methodist congregations in the Anglican – Methodist LEPS.**

This remains a strategic objective.

Financial Review

Budget

Each year the circuit sets a budget for income and expenditure which is approved by the Circuit Meeting.

Income

- The shares have been received from all the churches.
- The interest received was £8,804 (2021/22 £661). This is above budget since the circuit benefited from the recovery in the money markets late in the church year. In addition Bandon Hill Methodist Centre was sold for £1,317,900 net. There was a levy of £494,289 by the Trustees for Methodist Church Purposes leaving a net sale price of £823,611.
- The use of a manse by the Chinese presbyter has continued for a final year to provide an income of £21,000.
- The closure of Bandon Hill Methodist Church realised a net sale price of £823,611 (see above). This was deposited in the model trust fund 8744 and is available for grants to churches and extra funding requirements in the circuit.

Expenditure

- Stipend expenditure has increased each financial year in line with conference approved increases. £60,028 (2021/22 £61,464) (20.3%) of expenditure is the Circuit contribution to the District and Connexion, of which a significant part is used to fund the work of the wider Methodist Church. The Manse Fund shows that £75,911 was spent on manse repairs of which the main cost was refurbishment of the Tattenham Way manse for letting with most of the remainder being spent on the Cheam manse following Rev Dr David Dickinson's retirement and the arrival of Rev Hendry Ponniah at Sutton Trinity. The current balance is £45,945.
- All other items of expenditure were within budget.

Conclusions

All items in the accounts were close to budget. There was an expected deficit on expenditure on budgeted items in the General Fund of £25,911. A further £20,000 deficit is expected in 2023/24. However, a change in allocation of interest from the Circuit Development CFB fund being included in the general fund is expected to alleviate and even clear the originally budgeted deficit.

Financial effect of significant events

The effect of Covid-19 has diminished considerably and the churches are mainly showing a small increase in their funds. This has shown in the reduction of the circuit's deficit. Circuit reserves were again used to offset the deficit. However, at the end of the year there was a restructuring of the circuit funds. Initially £50,000 was granted to the Manse Fund to enable the Tattenham Way manse to be refurbished ready for letting. It is anticipated that most of this will be recovered in letting income over 2 years. Then it was agreed that £500,000 would be transferred to the general fund (£220,000 to the CFB reserves account) to build the reserve level to 100%. £280,000 was transferred to the Circuit Development CFB fund for making grants to churches over a period of 3 years.

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Sutton Methodist Circuit
TRUSTEES' ANNUAL REPORT (continued)

Fund balances

General Fund

As at 31st August 2023 the net current assets of the Circuit were £121,555. This is below the required reserves policy level of £228,000 and has now been addressed with the addition of £220,000 to the reserves fund.

Circuit Model Trust Fund

This is an unrestricted fund and can be applied to for appropriate capital items or projects.

Factors affecting the financial future of the circuit are mainly the guarantee of income from the shares from each church. Whereas the circuit seeks to be able to be self-sufficient from these shares, in the event that there is a shortfall which cannot be recovered from, it is permitted to seek approval to raise funds from the Model Trust Fund. Due to previous income from previous sales, the Model Trust Fund has enough funds to be able to support the circuit. With the addition of £823,611 from the sale of Bandon Hill Methodist Centre, there are sufficient funds available for current and future requirements. Discussions are already in place to determine the future of the circuit financially.

Valuation of Properties

The manse was included in the balance sheet at historical cost for the first time in 2015/16. The current total is £132,950.

Reserves Policy

The Reserves Policy for the Circuit is to hold a minimum sum equivalent to 1 year's average expenditure. This is now sufficient to meet any unforeseen item of major expenditure on manse 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.

Reserves of the Circuit

The balance of funds in the circuit at the end of the year was £1,660,506. Of this £132,950 is now the historical value of the manse. The balance comprises £475,152 in the general fund, £1,139,409 in the Model Trust Fund and £45,945 in the manse fund. Though the manse has been valued at historical level, their sale in the current climate would probably realise over £2m. During the year, the decision was taken to move the Chinese Ministry Fund into the General Fund and to move the Chinese ministry to come under the overall responsibility of the General Fund. Thus Rev Ung Soon Nguang, though not changing his work responsibilities, is funded by the General Fund from 1st September 2023.

Volunteers

The Church 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 mission, manse, finance, policy, grants, training, safeguarding and risk. We are grateful to all of them for their help and commitment. No attempt has been made by the Circuit to value the non-monetary contributions to the Circuit in monetary terms.

Plans for 2023/24

Circuit financial plans for the coming year have been prepared on the basis that there remain 4 full time staff (3 ordained, one deacon) with anticipated cost of living stipend increases combined with an increase in the assessment paid to the district. It is anticipated that there will be a shortfall on the annual costs of about £20,000 and it has been agreed that the reserves in the general fund can be drawn upon to enable this. However, it has now been decided to include the interest from the circuit development fund in the general fund. With the significant increase in interest rates, this will enhance the general fund and it is anticipated that the expected deficit will be overcome and that there will be a surplus on the general fund by August 2024.

The following issues will be focused upon during the 2023-2024 year.

- Mission: Monitor progress of the mission projects funded in 2022/23.
- Continue exploration of means of sustaining and increasing active involvement of young people and young adults across the circuit.
- Wallington Church Development: Support the Wallington leadership in evaluating and pursuing their revised strategy based on retaining and enhancing the current church buildings.
- Ministry: Support the probationer Diaconal Minister toward ordination in 2024. Initiate the procedures for continuity of the ministries at Epsom beyond August 2025, when the current appointments end.
- Re-introduce Circuit services.
- Chinese Ministry: Further integrate the Chinese congregation at Epsom into the life of the circuit.
- Improve the promotion of individual church events across the circuit.
- Succession Management.
- Budget: produced a balance budget for 2024/25.
- Long Term Strategy: Continue discussions on long term scenarios for the smaller congregations, including the Methodist congregations in the Anglican – Methodist LEPs.

Sutton Methodist Circuit
TRUSTEES' ANNUAL REPORT (continued)

Basis of preparation and legal framework

The Charity's annual report and accounts for the year ended 31 August 2023 have been prepared in accordance with the Charities Act 2011 and the Charities: Statement of Recommended Practice 2019 as applicable to the Financial Reporting Standard (FRS 102).

Full Name of Charity	Sutton Methodist Circuit
Registration Charity Number	1135076
Date of registration	22nd March 2010
Main communication address	Dr David Gooch c/o Circuit Administrator, Sutton Trinity Church, Cheam Road, Sutton, Surrey, SM1 1DZ

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

Full membership is shown in Appendix A to this report.

Circuit Ministers and officers

Active Circuit Ministers	Rev Catherine Hutton Rev Gill Long Rev Ung Soon Nguang Deacon Marie Poole Rev Desmond Williamson
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Circuit Stewards	Dr David Gooch Mrs Maureen Patel Mr Ka Fai Man Mr Vijendran Asirwatham Mrs Jane Barden
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Administrator	Mr Paul Gotts
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Mr Richard T Smith acted as the principal officer overseeing the day to day financial management and accounting for the circuit during the year.

Auditor	Jacob, Cavenagh & Skeet 5 Robin Hood Lane, Sutton, SM1 2SW
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Investment Bankers	Central Finance Board of the Methodist Church 9 Bonhill Street, London EC2A 4PE Trustees for Methodist Church Purposes Central Buildings, Oldham Street, Manchester M1 1JQ CAF Bank Ltd 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ
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Sutton Methodist Circuit
TRUSTEES' ANNUAL REPORT (continued)

Aims and organisation

Charity objective is to act as a resource provider within the area around the London Borough of Sutton and the Epsom & Ewell Borough Council 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 Sutton Circuit shall seek to:

Advance the Christian faith by supporting individual churches in the circuit.

Provide facilities for public acts of worship open to members and non-members alike.

Enable pastoral care throughout the circuit for the benefit of members and non-members alike with respect to the teaching of Christianity and visiting the needy by appointing ministers, organising preaching, appointing and guiding lay leaders.

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 and the Circuit Stewards.

Trustee Training

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

Related Parties

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

The following Methodist Churches are linked to the circuit:

Sutton Trinity (Methodist/URC LEP)

Wallington

Carshalton

Banstead

Epsom

Cheam

St John's (Anglican/Methodist LEP)

St Mark's (Anglican/Methodist LEP)

Sutton Methodist Circuit
TRUSTEES' ANNUAL REPORT (continued)

Risk Management

There is a regular annual review process undertaken and recorded of risks identified within the circuit. This is carried out by an independent Risk Assessment Group which reports to the Trustees.

The following are the major risks in the circuit:

1. Church closures
2. Not enough lay staff to take on circuit responsibilities. Staff and volunteers who leave cannot easily be replaced.
3. There is a reduction in presbyters.
4. Circuit expenditure consistently exceeds income, leading to inadequate reserve levels.
5. Circuit Churches are unable to meet the budget with their shares, leading to shortfall in income to circuit.

Arising from these identified risks, the circuit is aware of them all and takes them into consideration when the circuit stewards meet as a managing group and the full circuit leadership team meets to discuss policy and the future.

Factors affecting the financial future of the circuit are mainly the guarantee of income from the shares from each church. Whereas the circuit seeks to be able to be self-sufficient from these shares, in the event that there is a shortfall which cannot be recovered from, it is permitted to seek approval to raise funds from the Model Trust Fund.

Safeguarding

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

Methodist Connexional practice outlines commitment to the following principles:

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

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

The Sutton 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.

Trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees' Annual Report was approved by the Circuit Meeting on 1st February 2024 and signed on behalf of the trustees by:

Rev Catherine Hutton
Circuit Meeting Chairman

Sutton Methodist Circuit
TRUSTEES' ANNUAL REPORT (continued)

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

	Notes to the accounts	Unrestricted funds (General Fund)	Designated Funds	Restricted Funds (Chinese Ministry)	Total 2022-23	Total 2021-22
		£	£	£	£	£
Income and endowments from:						
Donations and legacies						
Donations and legacies	2		9,549	64,308	73,857	71,062
Shares from churches	3	170,722			170,722	165,280
Other trading activities						
Lettings	4	11,000	-		11,000	55,934
Investments						
Interest	5	8,804	28,759		37,563	3,854
Other income						
Net sale of Bandon Hill Methodist Centre			930,722		930,722	
Total income		190,526	969,030	64,308	1,223,864	296,130
Expenditure on:						
Raising funds						
Levy on sale of BHMC			494,289		494,289	-
Trust fund management charges	6		20,611		20,611	26,405
Charitable activities						
Ministerial stipends and expenses	7 8	164,127		40,049	204,176	221,223
Ministerial invitations	8	7,891			7,891	2,171
Manse maintenance and servicing	9	20,048	85,826	3,452	109,326	80,776
Grants to circuit churches	10	-	49,120		49,120	105,000
Administration	11	10,640	10,665		21,305	14,212
Total		202,706	660,511	43,501	906,718	449,787
Net gains/(losses) on investments		-	-	-	-	-
Net income/(expenditure)		(12,180)	308,519	20,807	317,146	(153,657)
Transfers between funds	12	245,870	(224,870)	(21,000)	-	-
Other recognised gains/(losses)						
Gains/(losses) on revaluation of fixed		-			-	-
Actuarial gains/(losses) on defined benefit						
Other gains/(losses)					-	-
Net movement in funds		233,690	83,649	(193)	317,146	(153,657)
Reconciliation of funds						
Total funds brought forward		241,462	1,101,705	193	1,343,360	1,497,017
Total funds carried forward		475,152	1,185,354	-	1,660,506	1,343,360

Balance brought forward from last year

Offerings/Gifts - received for External Organisations

Offerings/Gifts - passed to External Organisations

Balance carried forward

-
9,549
9,549
-

-
7,984
7,984
-

Sutton Methodist Circuit
TRUSTEES' ANNUAL REPORT (continued)

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

	Notes to the accounts	Unrestricted funds (General Fund)	Designated Funds	Restricted Funds (Chinese Ministry)	Total 2021-22	Total 2020-21
		£	£	£	£	£
Income and endowments from:						
Donations and legacies						
Donations and legacies	2		8,034	63,028	71,062	61,502
Shares from churches	3	165,280			165,280	175,845
Bandon Hill Methodist Church funds					-	59,343
Bandon Hill Methodist Church valuation			-		-	365,000
Other trading activities						
Lettings	4	-	55,934		55,934	23,788
Investments						
Interest	5	661	3,193		3,854	1,416
Other income						
Net surplus on disposal of 7 Waverley Way			-		-	551,903
Total income		165,941	67,161	63,028	296,130	1,238,797
Expenditure on:						
Raising funds						
Trust fund management charges	6		26,405		26,405	896
Levy on sale of 7 Waverley Way	5		-		-	255,761
Charitable activities						
Ministerial stipends and expenses	7 8	182,034		39,189	221,223	226,325
Ministerial invitations	8	2,171			2,171	-
Manse maintenance and servicing	9	20,711	56,908	3,157	80,776	77,353
Grants to circuit churches	10	-	105,000		105,000	21,500
Administration	11	4,277	9,935		14,212	8,632
Total		209,193	198,248	42,346	449,787	590,467
Net gains/(losses) on investments		-	-	-	-	-
Net income/(expenditure)		(43,252)	(131,087)	20,682	(153,657)	648,330
Transfers between funds	12	(10,500)	31,500	(21,000)	-	-
Other recognised gains/(losses)						
Gains/(losses) on revaluation of fixed		-			-	-
Actuarial gains/(losses) on defined benefit						
Other gains/(losses)					-	-
Net movement in funds		(53,752)	(99,587)	(318)	(153,657)	648,330
Reconciliation of funds						
Total funds brought forward		295,214	1,201,292	511	1,497,017	848,687
Total funds carried forward		241,462	1,101,705	193	1,343,360	1,497,017

Balance brought forward from last year

Offerings/Gifts - received for External Organisations

Offerings/Gifts - passed to External Organisations

Balance carried forward

-
7,984
7,984
-

-
8,959
8,959
-

Sutton Methodist Circuit
TRUSTEES' ANNUAL REPORT (continued)

Balance Sheet as at 31 August 2023

		Unrestricted (General Fund)	Designated Funds	Restricted (Chinese Ministry)	Totals this year	Totals last year
		£	£	£	£	£
Tangible Fixed Assets*	Notes					
Circuit Manses & Equipment	BS1	132,950			132,950	132,950
Bandon Hill Methodist Centre			-		-	365,000
Investments	BS2				-	-
Total fixed assets		132,950	-	-	132,950	497,950
Current Assets						
Debtors	BS3	16,188			16,188	16,528
Loans by the Circuit						
Trustees for Methodist Church Purposes	BS2		643,359		643,359	607,008
Central Finance Board Deposits	BS4	475,483	541,995	-	1,017,478	274,798
Cash at Bank and in hand	BS4	9,361	-		9,361	81,072
Total current assets		501,032	1,185,354	-	1,686,386	979,406
Current liabilities						
Creditors (due in under 1 year)	BS5	158,830	-		158,830	88,996
Net current assets (liabilities)		342,202	1,185,354	-	1,527,556	890,410
Total assets less current liabilities		475,152	1,185,354	-	1,660,506	1,388,360
Creditors and Accruals including any loans (due after more than 1 year)			-		-	45,000
Net assets		475,152	1,185,354	-	1,660,506	1,343,360
Funds of the Circuit						
General Fund (Unrestricted)	BS6.1	475,152			475,152	241,462
Circuit Model Trust Fund (Unrestricted)	BS6.2		1,185,354		1,185,354	1,101,705
Restricted funds	BS7			-	-	193
Total Funds		475,152	1,185,354	-	1,660,506	1,343,360

*Details - see Note 11

Summary of the Internal Organisations reporting to the Circuit Meeting. Note that the funds of an Internal Organisation would normally be Restricted funds unless it could be clearly shown that they could be used for any Methodist purpose.

		Opening balance	Receipts	Payments	2023	2022
Internal Organisations						
Chinese Ministry Fund	BS7	193	64,308	64,501	-	-
Bandon Hill Methodist Centre		86,457	327	86,784	-	454,127
Total		86,650	64,635	151,285	-	454,127

The financial statements were approved by the trustees on 1st February 2024 and were signed on their behalf

Sutton Methodist Circuit
TRUSTEES' ANNUAL REPORT (continued)

Statement of Cash Flows for year ended 31st August 2023

	2023	2022
	£	£
Cashflows from operating activities		
Net cash (used in)/provided by operating activities	(625,965)	(84,689)
Cashflows from investing activities		
Interest receivable	37,563	3,854
Proceeds on sale of freehold property	1,295,722	-
Net cash provided by investing activities	1,333,285	3,854
Change in cash & cash equivalents in the reporting period	707,320	(80,835)
Cash and cash equivalents at the beginning of the reporting period	962,878	1,043,713
Cash & cash equivalents at the end of the reporting period	1,670,198	962,878
Classified on the Balance Sheet as:-		
Investments with TMCP	643,359	607,008
Central Finance Board Deposits	1,017,478	274,798
Cash at bank and in hand	9,361	81,072
	1,670,198	962,878
Reconciliation of net income/(expenditure) to net cashflow from operating activities		
Net income/(expenditure) from reporting activities (as per the Statement of Financial Activities)	317,146	(153,657)
Adjustments for:-		
Non-cash donations	-	-
(Gains)/losses on sale of freehold property	(930,722)	-
Interest receivable	(37,563)	(3,854)
(Increase)/decrease in debtors	340	1,231
Increase/(decrease) in creditors	24,834	71,591
Net cash (used in)/provided by operating activities	(625,965)	(84,689)

Sutton Methodist Circuit
TRUSTEES' ANNUAL REPORT (continued)

Notes to the Accounts

1 Basis of accounting and accounting policies

i Basis: SORP and Standards

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019, SORP(FRS102), and the Financial Reporting Standard applicable in the UK and Republic of Ireland, FRS 102.

ii Public benefit entity

The Sutton Methodist Circuit meets the definition of a public benefit entity under FRS 102. The Circuit is an unincorporated charity and its official address is Sutton Trinity Church, Cheam Road, Sutton, SM1 1DZ. 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. 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. The accounts are prepared in pounds sterling rounded to the nearest pound.

iv FRS102 SORP2019 (applies to 2016-17 onwards)

These accounts are compliant with FRS102 and with the FRS102 SORP 2019. The financial statements have been prepared under the Charities Act 2011 and the 2008 accounting and reporting regulations made thereunder, based on the current version of the Charities SORP (SORP(FRS102)), as disclosed above, in order to be able to show a true and fair view, as permitted by the regulations.

v Going concern

Based on the monetary assets and human resources available at 31 August 2023, the trustees believe that the Circuit is a going concern and there are no material uncertainties affecting this conclusion.

vi Consolidation

The Circuit has denominational regulatory oversight in respect of the 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.

vii Income recognition

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

The Circuit acts as agent in three matters:

The collection from Churches and payment over of their contributions to various Funds controlled and administered by The Methodist Church - "Connexional Funds"

The administration of a payroll service for employees in Churches in the Circuit. The Circuit will carry out the payroll duties in accordance with HMRC requirements and will pay the employees from Circuit funds. This payment will be reimbursed to the Circuit during the same Connexional year so that payment of salaries, NIC and tax to HMRC will be reimbursed in the same accounting period. The amount paid and received, an equal amount, will be recorded in the SOFA as equal income and expenditure.

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 the income of either the Connexion or Churches as appropriate. Instead the transactions are disclosed in the Notes to the Accounts as required by SORP(FRS102).

In accordance with the Charities SORP (FRS 102), the time of volunteers is not recognised. Further information on this matter is provided in the Trustees' Annual Report.

viii 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.

ix Grants

Grants made by the Circuit from its own funds are recognised in full at the time of agreement to make a 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 for future commitments in the balance sheet against the appropriate fund, the provision being released in future years in accordance with the originally agreed terms.

x VAT

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

Sutton Methodist Circuit
TRUSTEES' ANNUAL REPORT (continued)

Notes to the Accounts

xi 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 and/or long leasehold residential property is shown in the accounts at deemed historical cost representing each property's gross carrying value at time of being built or purchased. No depreciation is provided because the trustees consider the residual value of the property in its present condition to be not less than its insurance cost and, in the absence of any evidence of impairment, any depreciation provision for the buildings component of the property would be immaterial.

xii Monetary Investments

The Circuit's investments are deposited with TMCP as custodian trustees. The valuations, at market value, are those provided by TMCP.

xiii Receivables and Payables; Bank and Cash

Debtors are stated at the amounts owed to the Circuit or prepaid. Creditors are recognised at the amount expected to be settled.

xiv Methodist Connexional Funds

The Methodist Church Connexion raises assessments against Circuits and these are paid quarterly to their Districts. The Circuits raise assessments against Churches in the Circuit. The District quarterly remits to The Methodist Church Fund most of the sum received from the Circuits. A small sum is retained by the District to meet its own costs. The Circuit may act as agent for ad hoc collections for various funds controlled and administered by the Methodist Church. These are detailed in Note BS9 below.

xv Minister's manse costs

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

Methodist Circuit
TRUSTEES' ANNUAL REPORT (continued)

Notes to the Accounts

2 Donations and legacies	General	Unrestricted	Designated	Restricted	2023	2022
Donations	-	-	-	64,308	64,308	63,078
Balance of BHMC account transferred to Sutton Circuit	-	-	-	-	-	-
Valuation of BHMC	-	-	-	-	-	-
Connexional Funds	-	-	9,549	-	9,549	7,984
Legacies	-	-	-	-	-	-
Total	-	-	9,549	64,308	73,857	71,062

The Chinese ministry was supported by the Malaysian Conference (£6,028) and donations from the Chinese Congregation (£57,000). These total £63,028.

3 Shares from Churches

The circuit is comprised of 8 churches. Each church is invited to offer a share towards the stated budget of the circuit to meet the overall costs. In making its share requirement, budgeted income from investment income, (including property letting) is taken into account. The circuit aims to cover its net core costs from the total of the shares offered. For 2022/23 this has not been possible because every church's finances has been affected by Covid-19. The circuit has agreed to underwrite reduced share offers from the churches by £53,000 by drawing on its general fund reserves.

Shares from churches are made quarterly in advance and are treated as a prepayment on a receivable basis. If any church has not paid its share by the due date the sum in question is treated as a debtor.

Share monies contributing to the district assessment paid from church to district via circuit are not recognised as income/expenditure in the accounts of the circuit. The circuit is acting as agent and monies passing through are netted off. The reported figure (£165,280) is the total share income (£226,744) less the assessment paid to and through the district (£7,676 and £53,788). In addition £4,240 was received into the general fund on the closure of Bandon Hill Methodist Centre.

Church	2023	2022
Sutton Trinity	50,000	45,000
Wallington	28,000	28,000
Carshalton	31,000	28,000
Banstead	24,000	20,000
Epsom	85,000	93,400
Cheam	9,750	9,750
St John's	1,300	1,195
St Mark's	1,700	1,399
Total	230,750	226,744

	2023	2022
Assessment	230,750	226,744
Deduct for:		
District	11,480	7,676
Connexion	48,548	53,788
Net income	170,722	165,280

4 Income from other trading activities

	General	Designated	Restricted	Transfers	2023	2022
Letting of manses	11,000	-	-	21,000	32,000	21,000
BHMC Lettings	0	-	-	-	-	55,934
Total rental income	11,000	-	-	21,000	32,000	76,934

The trustees have determined that the property at 37 Tattenham Way is to be made available as a manse for the minister of the Chinese Congregation. Since the Chinese Congregation's finances are separated because of identifying and separating grant income, the contribution from the Chinese Congregation is considered as a rent totalling £21,000 for the year.

5 Income from investments

£37,563 (2021/22 £3,854) was received as interest from TMCP trusts and CFB funds. In addition, £1,327,951 was received as gross from the sale of Bandon Hill Methodist Centre and interest. A levy of £494,289 was paid to TMCP following the sale.

This left a balance on the sale of £823,611.

6 Trust Fund Management Charges

District Assessment & Levy

The District Assessment is calculated relative to the proportion of church members and staffing (Presbyters and lay staff graded by hours worked per week) of all Circuits in the London District. 65% of the overall cost is calculated using relative membership proportions, 25% using relative staff proportions and 10% using each circuit's reserves.

The Levy is calculated on a sliding scale as a percentage of the Circuit's CMTF account balance as at 31 August the previous accounting year. It is taken by the Trust for Methodist Church Purposes and paid to the district in which the circuit resides for the District Advance Fund for making grants to churches in the district.

	General	Designated	2023	2022
District Expenses	-	11,480	11,480	7,676
Methodist Church Fund (MCF)	-	48,548	48,548	53,788
Levy on CMTF Funds	-	20,611	20,611	26,418
Totals	-	80,639	80,639	87,882

The charges listed above are taken by the Trust for Methodist Church Purposes and are paid to the district in which the circuit resides for the District Advance Fund for making grants to churches in the district.

Sutton Methodist Circuit
TRUSTEES' ANNUAL REPORT (continued)

7 Salaries and associated costs

Stipends were paid to 3 English presbyters, 1 Chinese presbyter and 1 lay pastor (for 9 months).

Circuit presbyters & lay pastor	2023	2022
Stipends	123,984	140,505
National Insurance Contributions	11,421	12,791
Pension Fund Contributions	28,805	29,238
URC Levy	11,016	11,016
Computers for ministry	704	684
Travelling	4,503	3,932
Telephone	5,695	4,817
Removals, Stationing & Removal		1,151
Apprenticeship Levy	621	1,381
Sundry Expenses	1,231	
Supernumeraries preaching	484	340
Total	188,464	205,855
Circuit administrator - part time		
Salary	14,835	14,280
National Insurance Contributions	803	763
Pension Fund Contributions	-	-
Apprenticeship Levy	74	325
Total	15,712	15,368
Total for all staff	204,176	221,223

In addition, the circuit employs an active supernumerary and a circuit administrator, a total of 7 employees.

Pensions

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

The Connexion accounts for both pension schemes and shows the figures 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. No employees received benefits over £60,000 in the year.

7a Cost of Superintendent, Presbyters and Trustees

The Superintendent of the Circuit, the other Presbyters and the remaining members of the Circuit Leadership Team (CLT) are considered as Key Management Personnel. The Superintendent chairs meetings of the CLT and Circuit Meetings. The members of the Circuit Meeting are trustees of the Circuit. The stipends, employer's NIC and employer's pension contributions and other expenses of the Presbyters of the Circuit are paid by the Connexion but funded 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.

Each Presbyter is entitled to a 3 month sabbatical every 7 years and the expenses incurred by the Presbyter are met by the Connexion with the Circuit continuing to pay the stipend. During the year there have been no sabbaticals. The Circuit does not accrue for holiday pay cover as the remaining staff cover the holidays as needed without extra pay. Had additional cover been required the cost of this is met by the Circuit.

8 Invitation expenses

		Unrestricted	2023	2022
Travel and associated expenses		482	7,409	1,735
Removals		7,407	482	436
Total		7,891	7,891	2,171

Sutton Methodist Circuit
TRUSTEES' ANNUAL REPORT (continued)

9 Property

The Circuit is managing trustee for 5 manse of which 4 are occupied by ministers stationed in the circuit. The Circuit is responsible for the payment of Council Tax, Water charges and Insurance.

The cost of ongoing maintenance and improvements to all properties is funded through a manse repairs budget and £35,000 is set aside each year from the General Fund. The level of the budget is reviewed by the trustees each year.

Expenditure on Manses

Manse	Maintenance Contracts	Repairs Maintenance Improvements	2023	2022
35 Arundel Road	1,080	19,011	20,091	7,576
29 West Hill Avenue	1,080	645	1,725	4,512
16 Hall Road	1,080	121	1,201	7,310
7 Waverley Way	-	840	840	-
116 Manor Green Road	1,080	117	1,197	13,093
37 Tattenham Way	630	56,727	57,357	1,481
Bandon Hill Methodist Centre		2,560	2,560	22,936
Total	4,950	80,021	84,971	56,908

Council tax, insurance and utilities

Manse	Council Tax	Insurance	Water Supply	2023	2022
35 Arundel Road	3,302	1,486	563	5,351	5,118
29 West Hill Avenue	3,607	1,653	477	5,737	5,861
16 Hall Road	3,302	1,318	295	4,915	4,764
116 Manor Green Road	3,079	983	373	4,435	3,730
37 Tattenham Way	1,602	1,050	199	2,851	4,223
Unallocated		211		211	172
Bandon Hill Methodist Centre		855		855	
Total	14,892	7,556	1,907	24,355	23,868
From Maintenance				84,971	56,908
Total				109,326	80,776

Letting Expenses

37 Tattenham Way is now let on the open market and is currently occupied and a rent of £2,200 is being received.

Circuit Model Trust Fund (CMTF) (Trusts 8744 13141 16141 CFB 02647030)

	2023	2022
Opening balance	578,422	708,591
Interest income 8744	22,178	-
Interest income (02647030, 13141, 16141)	6,223	3,185
Sale of Bandon Hill Methodist Centre (BHMC)	1,295,722	-
Transfer balance of BHMC	72,000	
Levy on sale of BHMC	(494,289)	-
Transfer to Manse Fund	(50,000)	
Transfer to General Fund	(220,000)	
Grants to 3 churches for mission work	(49,120)	
District levy	(1,116)	(1,950)
TMCP administration	(20,611)	(26,404)
Transfer Epsom grant (transfer Sept 2023)	-	(105,000)
Closing balance	1,139,409	578,422

Manse Maintenance Fund

	2023	2022
Opening balance	71,856	78,908
Transfer from General Fund (budget)	-	31,500
Transfer from Model Trust Fund 8744	50,000	-
Transfer from Bandon Hill Methodist Centre	6,500	
Expenditure on manses	(82,411)	(38,552)
Balance of manse maintenance fund	45,945	71,856

Sutton Methodist Circuit
TRUSTEES' ANNUAL REPORT (continued)

Bandon Hill Methodist Centre

Opening balance		451,427
Interest	358	
Total income		358
Utilities	(2,007)	
Insurance	(855)	
Sundry	(553)	
Transferred to General Fund	(4,240)	
Transfer to Circuit Model Trust Fund	(437,630)	
Transfer to Manse Fund	(6,500)	
Total expenditure		(451,785)
Closing balance		-

Bandon Hill Methodist Centre was sold in April 2023 for £1,325,000. There were expenses and £1,295,722 was deposited in the Model Trust Fund 8744. There was a levy of £494,288, leaving net proceeds of £801,434.

Designated Funds

	2023	2022
Manse Maintenance Fund	45,945	71,856
Circuit Model Trust Fund (including sale of BHMC £801,433)	1,139,409	578,422
Original valuation of BHMC		365,000
Sale of Bandon Hill Methodist Centre (2021/22 Outstanding bank balance)		86,427
Connexional Funds (£9,549 (2021/22 £7,984)) leaves zero balance		
Closing balance of model trust and available funds	1,185,354	1,101,705

10 Grants to circuit churches

In 2022 There was one grant of £105,000 to Epsom Methodist Church spread over 5 years. By request there was not a payment in the financial year 2022/23 but £30,000 will be paid in September 2023. The payments in the remaining 3 years are £25,000, £15,000 and £5,000. There were also grants made available to all the churches in the circuit. During the year grants were paid to Cheam (£8,000), Carshalton (£21,120), TCEMC (£20,000).

11 Office expenses

	General	CMTF	2023	2022
Local Preacher expenses	129		129	-
Quinquennial inspections	525		525	-
Training	1,275		1,275	468
Independent Auditor	6,000		6,000	1,260
Conference Minutes, CPD & Membership tickets	459		459	364
Administrator's expenses (travel and stationery)	648		648	456
Laptop for Circuit Administrator	190		190	-
Circuit service expenses	1,354		1,354	1,499
Website	-		-	149
Banking	60		60	81
TMCP Admin/investment Management Fees	-	1,116	1,116	1,951
Value of Connexional Funds donations	-	9,549	9,549	7,984
Total	10,640	10,665	21,305	14,212

12 Transfers

The following transfers were made in the SOFA.

Rent for manse for Chinese minister	21,000
Allocation to General Fund	220,000
Bandon Hill Methodist Centre funds now in the General Fund	4,870

Sutton Methodist Circuit
TRUSTEES' ANNUAL REPORT (continued)

13 Trust Funds

Churches are able to seek grant funding for projects within their own church from Circuit Model Trust Fund monies. These funds are held in a CFB fund and 3 trust funds as detailed below.

Circuit CFB Fund 02647030	2023	2022
Balance at 1st September 2022	46,416	24,323
Interest		194
Interest from trusts 13141 and 16141	6,223	399
Grant to Epsom will not be paid until 2023/24	-	-
Balance from trusts 13141 and 16141	215,533	
Main balance from BHMC bank account on closure	72,000	21,500
Transfer from Model Trust Fund 8744	500,000	-
Transfer to CFB 02647010	(50,000)	-
Transfer to CFB 02647010	(170,000)	-
Transfer grants to Carshalton, Cheam and Chinese	(49,120)	-
Balance in circuit CFB Fund 02647030 at 31st August 2023	571,052	46,416
Trust fund 13141		
Balance at 1st September 2022	202,325	202,325
Interest	5,842	732
Transfer of interest	(5,842)	(732)
Transfer balance to CFB 02647030	(202,325)	-
Balance in trust fund 13141 at 31st August 2023	-	202,325
Trust fund 16141		
Balance at 1st September 2022	13,208	13,208
Interest	381	44
Transfer of interest	(381)	(44)
Transfer balance to CFB 02647030	(13,208)	-
Balance in trust fund 16141 at 31st August 2023	-	13,208
Circuit Model Trust Fund 8744		
Balance at 1st September 2022	316,473	468,732
Interest	22,178	1,982
Sale of Bandon Hill Methodist Centre	1,295,722	-
TMCP administration	(1,116)	(1,336)
District levy	(20,611)	(26,405)
Transfer to manse fund	(50,000)	(51,500)
Transfer to 02647030 for grants and circuit reserve	(500,000)	-
Levy on sale of Bandon Hill Methodist Centre	(494,289)	-
Outstanding payments for 4 years on Epsom grant		(75,000)
Balance in trust fund 8744 at 31st August 2023	568,357	316,473
Total amount available for grants		
Circuit CFB Fund 02647030	571,052	46,416
Trust Fund 13141	-	202,325
Trust Fund 16141	-	13,208
Circuit Model Trust Fund 8744	568,357	316,473
Total of funds available for grants at 31st August 2023	1,139,409	578,422

Sutton Methodist Circuit
TRUSTEES' ANNUAL REPORT (continued)

BS1 Manses & Other Property

Buildings comprise 5 manses located in the London Borough of Sutton (2), the Borough of Epsom & Ewell (2) and the Borough of Reigate & Banstead (1). The manse at 37 Tattenham Way was let on the open market and is now occupied.

The manses are valued at historical cost. Also reported for information is the insurance value of each manse.

Property	Type	Historical Cost	Year of Purchase	Insurance Value 2023	Insurance Value 2022
35 Arundel Road	manse	£4,850	1949	£629,265	£493,971
29 West Hill Avenue	manse	£450	1923	£716,662	£562,577
16 Hall Road	manse	£2,500	1962	£541,867	£425,364
116 Manor Green Road	manse	£123,000	1994	£367,071	£288,149
37 Tattenham Way	manse	£2,150	1945	£402,029	£315,592
Total		£132,950		£2,656,894	£2,085,653

	Opening cost	Additions	Disposals	Closing cost
Manses	132,950	-	-	132,950
Bandon Hill Methodist Centre	365,000	-	(365,000)	-

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 is anticipated that the property is unlikely to be used as a manse within a period of one year, the property is classified as Investment Property (whether let out or not) and any lets are at market rates unless there is a compelling reason not to do so in the furtherance of the Circuit's charitable objectives.

BS2 Investment Assets (and Trustees for Methodist Church Purposes)

The funds that support the Circuit Model Trust Fund and the Circuit's other funds (as listed below) are held by TMCP in Trustees Interest Funds on which interest is credited to the accounts each month. These are regarded as medium and long term investments. The Sutton Circuit holds one trust (8744) at TMCP with a balance 8744 (£568,357). £571,052 is held in CFB fund 02647030 (Circuit Development) as funds made available for grants to enable payment of such grants and is a part of the CMTF funds held in the Central Finance Board recorded in BS4 below. The total available at 31st August 2023 is £1,139,409

TMCP is the legal owner and custodian trustee of all Methodist model trust property, including legacies, endowments and accumulated funds. Trust property is held for and on behalf of local managing trustees who are responsible for the day to day management of trust property. TMCP ensure that, through providing guidance and acting under their direction, the managing trustees comply with charity law and Methodist law and policy as determined by the Methodist Conference.

BS3 Debtors and Prepayments

Trade Debtors	2023	2022
Water Insurance	-	1,090
Council Tax & Water Rates	1,189	1,506
Minutes of Conference etc	476	459
Other Debtors	17	(27)
Prepayments	-	
Stipends, Pension, NI	14,506	13,500
Total	16,188	16,528

BS4 Central Finance Board (CFB) and Bank balances

Monetary balances held at the Central Finance Board of the Methodist Church and at CAF Bank are all available on demand without loss of interest. The split of these balances across General, Designated and Restricted Funds is arbitrary but wherever possible balances are not shown as negative.

	General	CFB	Restricted	2023	2022
Central Finance Board	475,483	541,995	-	1,017,478	274,798
CAF Bank	9,361	-	-	9,361	5,199
Bandon Hill Methodist Centre	-	-	-	-	75,873
Total	484,844	541,995	-	1,026,839	355,870

Sutton Methodist Circuit
TRUSTEES' ANNUAL REPORT (continued)

BS5 Creditors, Accruals and Income in Advance

	2023	2022
Income in Advance		
Contributions from churches	76,763	56,688
Creditors and Accruals		
Grant to Epsom	75,000	45,000
Ministers' expenses	712	740
Auditor/Independent Examiner	6,000	1,260
Other expenses	355	308
Total	158,830	103,996

BS6 Unrestricted Funds

BS6.1 General Fund

Opening	Income	Expenditure	Transfers	Surplus/Deficit	2023
241,462	190,526	202,706	245,870	233,690	475,152

Opening	Income	Expenditure	Transfers	Surplus/Deficit	2022
295,214	165,941	209,193	(10,500)	(53,752)	241,462

The purpose of the fund is for use at the discretion of the trustees in the furtherance of the general objectives of the Circuit.

The Circuit Meeting is aware that grant applications must demonstrate public benefit and this is true for the fund.

BS6.2 Circuit Model Trust Fund, Manse Fund and Bandon Hill Methodist Centre Fund

	Opening	Income	Expenditure	Transfers	Surplus/Deficit	2023
Circuit (Model) Trust Funds	578,422	959,123	565,136	167,000	560,987	1,139,409
Manse Fund	71,856	-	82,411	56,500	(25,911)	45,945
Bandon Hill Methodist Centre	451,427	358	3,415	(448,370)	(451,427)	-
Connexional Funds	-	9,549	9,549	-	-	-
	1,101,705	969,030	660,511	(224,870)	83,649	1,185,354

	Opening	Income	Expenditure	Transfers	Surplus/Deficit	2022
Circuit (Model) Trust Funds	708,591	3,187	133,356	-	(130,169)	578,422
Manse Fund	78,908	-	38,552	31,500	(7,052)	71,856
Bandon Hill Methodist Centre	413,793	55,990	18,356		37,634	451,427
Connexional Funds	-	7,984	7,984	-		
	1,201,292	59,177	190,264	31,500	(99,587)	1,101,705

The purpose of the Model Trust fund is for use at the discretion of the trustees in the furtherance of the general objectives of the Circuit. Its main source of income is legacies and contributions from the sales of manses and churches buildings in the circuit. The funds are being made available for future developments in the circuit.

Although the Model Trust fund is technically an Unrestricted Fund under the control of the Circuit Meeting, prior approval is still required from the District to utilise the Model Trust funds. Methodist Standing Orders 930, 931 and 917(2) are applicable.

BS7 Restricted Funds (Chinese Ministry)

Opening	Income	Expenditure	Transfers	2023
193	64,308	43,501	(21,000)	-

Opening	Income	Expenditure	Transfers	2022
511	63,028	42,346	(21,000)	193

With the move of the Chinese ministry formally into the circuit ministry, the Chinese Ministry Fund has closed with a zero balance. Its functions are all now incorporated into the General Fund.

Sutton Methodist Circuit
TRUSTEES' ANNUAL REPORT (continued)

BS8 Related Parties

All of the trustees are members of one or another Church within the Circuit, other Methodist Districts in Great Britain, CFB and TMCP.

BS9 Agency Collections and Payments

The Circuit acted as agent in collection for facilitation of the monies tabulated below. None of these collections was for related parties as defined in Note BS8 above. The Circuit carries out the payroll for lay employees in churches in the circuit, pays the 1 person and that Church then reimburses the Circuit for the exact amount. For the current year this totalled £33,415 (2022: £32,461).

Names of related parties	Party	Receipts 2023	Receipts 2022
Mission in Britain Fund	Connexion	1,315	1,100
Training Fund	Connexion	1,230	1,035
Property Fund	Connexion	3,949	3,289
Presbyters & Deacons Fund	Connexion	965	815
Ministers' Housing Fund	Connexion	2,090	1,745
World Mission fund	Connexion	-	-
Direct Transfer	Connexion	-	-
Total		9,549	7,984

Sutton Methodist Circuit
TRUSTEES' ANNUAL REPORT (continued)

Appendix A

CIRCUIT MEETING MEMBERSHIP

Ex-Officio:

Circuit Ministers:

Rev Catherine Hutton (Superintendent),
Rev Ung Soon Nguang, Rev Hendry Ponniah
Rev Gill Long (active supernumerary)
Rev Anne Rusbridge (supernumerary)

Deacon

Marie Poole

Chairs of District:

Rev Nigel Cowgill, Rev Jongikaya Zihle

Circuit Stewards:

Dr David Gooch
Mrs Maureen Patel, Mr Lyndon Man, Mr Vijendran Asirwatham
Mrs Jane Barden, Mr Richard Smith (Treasurer)

Ministers of other denominations authorised by Methodist
Conference and serving Methodist people:

Rev Des Williamson, Rev Bethany Lewis

Circuit Meeting Secretary:

Mr Paul Gotts (not a trustee)

Circuit Manse Secretary

Mr Philip Sandiford

Secretary to Leaders of Worship and Preachers Meeting

Mr Paul Gotts (not a trustee)

Circuit Risk Management Chairman

Mrs Sue Forty

Elected Representatives from Churches:

Sutton

Deacons
Treasurer
Elected

Mr Richard Cornwell
Mr Malcolm Booth
Vacant

St Johns

Steward
Treasurer
Elected

Mrs Eleanor Pinfold
Mr Anthony Woolfenden
Mrs Eileen Rice

Wallington

Steward
Treasurer
Elected

Miss Judith Yates
Mrs Christine Asirwatham
Mrs Nellie Showers

Epsom

Steward
Treasurer

Elected

Vacant
Mr Richard Smith
Mr Joshua Selfe, Dr Paul Warren, Mr Mark Angel,
Mrs Katharine Castledine, Mrs Christine Cox, Mr Robert Hill

Carshalton

Steward
Treasurer
Elected

Mrs Caroline Kingsnorth
Mrs Caroline Cook
Mr John Kingsnorth, Miss Jacky Waite

Cheam

Steward
Treasurer
Elected

Mr David Worthington
Mrs Audrey Saunderson
Vacant

Banstead

Steward
Treasurer
Elected

Vacant
Mr Vernon Tucker
Vacant

St Marks

Steward
Treasurer
Elected

Mr John Miller
Mr Martin Trenaman
Mr Colin Batty

Sutton Methodist Circuit
TRUSTEES' ANNUAL REPORT (continued)

Appendix B

The offices of the members of the Circuit Meeting (Managing Trustees) are shown in Appendix A.

The following are the trustees who served during the year and are appointed by the circuit as and when necessary.

Mr Mark Angel (appointed 14/09/2023)	Mr Lyndon Man
Mrs Christine Asirwatham	Mr John Miller
Mrs Jane Barden	Rev Ung Soon Nguang
Mr Colin Batty	Mrs Maureen Patel
Miss Elaine Bliss (resigned 02/02/2023)	Mrs Eleanor Pinfold
Mr Malcolm Booth	Rev Hendry Ponniah (appointed 14/09/2023)
Miss Shirley Breeden (died, recorded 02/02/2023)	Mrs Eileen Rice
Mrs Katharine Castledine (appointed 14/09/2023)	Rev Anne Rusbridge
Mrs Caroline Cook	Mr Philip Sandiford.
Mr Richard Cornwell	Mrs Audrey Saunderson
Rev Nigel Cowgill	Mr Joshua Selfe (appointed 02/02/2023)
Mrs Christine Cox (appointed 14/09/2023)	Mrs Nellie Showers
Rev Dr David Dickinson (resigned 14/09/2023)	Mr Richard Smith
Mrs Sue Forty	Mrs Kathryn Thompson (resigned 06/06/2023)
Dr David Gooch	Mr Martin Trenaman
Mr Robert Hill (appointed 14/09/2023)	Mr Vernon Tucker
Rev Catherine Hutton	Miss Jacky Waite
Mrs Val Imms (resigned 14/09/2023)	Dr Paul Warren (appointed 14/09/2023)
Mr Stanley Jeyeraj (resigned 14/09/2023)	Rev Des Williamson
Mrs Jacqueline John (resigned 02/02/2023)	Mr Anthony Woolfenden
Mrs Caroline Kingsnorth	Mr David Worthington
Mr John Kingsnorth	Miss Judith Yates
Rev Bethany Lewis	Rev Dr Jongikaya Zihle
Rev Gill Long	

Sutton Methodist Circuit
DECLARATIONS

Treasurer

I confirm that I have prepared the accounts from the records of the Circuit and that they include all funds under the control of the Circuit Meeting

Signature of Treasurer

Date

1st February 2024

Name

Richard T Smith

Address

13 Hazon Way, Epsom, Surrey, KT19 8HD

Presentation to the Circuit Meeting for approval.

I confirm that the Accounts have been presented to the Circuit Meeting on
and were approved.

1st February 2024

Signature of the Chair of
the meeting

Name of
the Chair

Rev Catherine Hutton

Date

1st February 2024

Sutton Methodist Circuit

Independent auditor's report to the trustees of Sutton Methodist Circuit

Opinion

We have audited the financial statements of Sutton Methodist Circuit (the "Charity") for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 August 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Sutton Methodist Circuit

Independent auditor's report to the trustees of Sutton Methodist Circuit (continued)

Other information

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Sutton Methodist Circuit

Independent auditor's report to the trustees of Sutton Methodist Circuit (continued)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to financial reporting legislation and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team.

We determined that the principal risks were related to recognition of the disposal of Bandon Hill Methodist Centre (BHMC), presentation of separately disclosed items and management override of controls.

In response to the risks identified we designed procedures which included, but were not limited to reviewing trustees' minutes, evaluating the internal controls, agreeing financial statement disclosures to underlying supporting documentation and testing the calculation of net gains on disposal of BHMC.

Sutton Methodist Circuit

Independent auditor's report to the trustees of Sutton Methodist Circuit (continued)

There are inherent limitations in the audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matter

The charity's income was below the threshold where an audit was required in the prior year therefore the comparative figures are not audited.

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Jacob Cavenagh & Skeet
Statutory Auditor
Chartered Accountants

5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

Dated:

Jacob Cavenagh & Skeet is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Sutton Methodist Circuit

Independent examiner's report to the trustees of Sutton Methodist Circuit

I report to the charity trustees on my examination of the accounts of the Sutton Methodist Circuit (the Circuit) for the year ended 31 August 2023 set out on pages 7 to 20.

Responsibilities and basis of report

As the charity'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 as 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

Since the Circuit's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Circuit as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Report) 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.

Paul Newton FCA
Jacob Cavenagh & Skeet
5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

Date: