



**THE METHODIST CHURCH**

**COLCHESTER METHODIST CIRCUIT**

Registered Charity number 1138024

**TRUSTEES REPORT and ANNUAL ACCOUNTS**

**For the year ended 31 August 2021**

**(Accruals basis)**

The Colchester Methodist Circuit is part of the  
Beds, Essex & Herts District of the Methodist Church.  
Circuit reference 34-06

**Colchester Methodist Circuit**  
**TRUSTEES' ANNUAL REPORT**  
**For the year ended 31 August 2021**

**Chairman's Report**

This has been a very difficult year in our Circuit life due to necessary precautions associated with the Covid pandemic. Most of our churches have needed to remain closed for the majority of the year and have only gradually begun to re-open from June, albeit with the wearing of masks and social distancing being required.

Therefore, the Circuit has turned to the use of technology to keep in touch with everyone and to provide a means of weekly worship not just to our Church congregations but also to a wider "audience". As a result the Circuit now has a presence on YouTube, where a high standard of production has been achieved. Circuit and Church Meetings plus Bible Study have taken place using Zoom. Also via Zoom it has now become possible to institute a weekly Sunday Evening worship, led by a Minister, and which attracts regular participants numbering over 25 – a larger number than may have attended physically at an actual service held in the Church.

My special thanks are due to my fellow ministers and the splendid technical team who have made all of this possible despite it being a very steep learning curve.

As mentioned in my report last year, I was on the point of resuming the position of Circuit Superintendent when another health problem materialised, shortly to co-incide with the Covid pandemic. Unfortunately, as a result of Covid, it has become apparent that the low level of my immune system places severe restrictions on any face- to- face contact and which is extremely frustrating. Consequently, I have decided to retire a year early for medical reasons in summer 2022.

Also my colleague, Rev Ken Chalmers experienced a period of significant, and debilitating, ill health from the summer of 2020 to early 2021, after which he began a phased return to full time duties. As a result he will also be retiring from the active Methodist Ministry in Summer 2022.

Unfortunately, our colleague Rev Joe Adams has been unwell since April 2021 and is receiving medical treatment and advice. We look forward to his healthy return in due course.

The Circuit is currently going through the necessary Methodist procedure to seek a new Superintendent Minister for September 2022, when following a re-allocation of Ministerial responsibilities the Circuit will become a 2 Minister Circuit.

The Circuit intends to continue to develop policies designed to explore the potential future growth and structure of the Circuit and the advancement of the mission of the Methodist Church in the Colchester area. This will involve each of the churches, in conjunction with the Circuit, reviewing how best to resume community outreach activities now that some semblance of normal life has resumed. New housing developments continue apace in northern Colchester and the people at The Well (comprising the combined congregation of Mile End, Boxted and West Bergholt Methodist Churches), currently based on Mile End premises, continue to consider how best to establish a presence in this area.

The new Primary Junior school in the Tollgate area is now receiving staged intakes by school year and construction of the long-promised community centre for the Tollgate\Lakelands area has now commenced. Recognition of the vision & sacrifice made by the former members of Eight Ash Green Church in ceasing to worship in order to form the Tollgate Methodist Community and seeking the establishment of a worshipping community for the area remains a Circuit ambition.

At October 2020 the Circuit Church membership totalled 352 which represented a reduction of 18 compared to October 2019. Sadly, the Covid pandemic has had the effect of making more vulnerable members of the Circuit community more circumspect in deciding whether to return to "live" worship in our Churches.

The remaining major part of the Boxted Methodist Church premises have been disposed of during the year. The Church at Fingringhoe is now proceeding through legal channels and the premises at West Bergholt have an active purchasing interest which, it is anticipated, will come to a successful conclusion.

The Circuit is fortunate in having a group of highly committed and professional lay volunteers, without whom the continuing work of the Circuit would be impossible. We continue to be very grateful to them all for their continued endeavours and support.

The Connexional Year, 2021-22 will be a challenging year for the Circuit, involving a degree of consolidation and re-assessment of priorities, but we move forward firmly determined to remain positive in order to ascertain and engage with the changes which God has planned for this Circuit.



Rev'd Alan Jenkins,

Circuit Superintendent

10 November 2021

# **Colchester Methodist Circuit**

## **TRUSTEES' ANNUAL REPORT**

**For the year ended 31 August 2021**

### **Introduction**

The Trustees of the Colchester Methodist Circuit are pleased to present their Annual Report and Accounts for the Methodist year ended 31 August 2021. This has been a very challenging year for the Circuit staff, Circuit officers and other volunteers resulting from staff sickness and that all Circuit Churches were required to close in mid- March 2020 due to the Covid- 19 Coronavirus pandemic. Since that time the Circuit has made wide use of latest communications technology to provide Worship & Bible Study resources to the Circuit and a wider audience. Fortunately, from early summer some of the Covid pandemic restrictions have eased and gradually all of the Circuit churches have been able to resume "in – person" worship by July 2021 albeit with continuing caution around face mask wearing and congregational singing.

The Trustees wish to thank everyone for their contribution plus the Circuit churches and their members for their support and understanding during this difficult period.

### **Aims and organisation and "Our Calling Statement" of the Methodist Church**

"The Calling of the Methodist Church is to respond to the gospel of God's love in Christ and to live out its discipleship in worship and mission."

The Colchester Methodist Circuit seeks to do this through the resources of the Circuit Staff Team together with members of the Circuit churches plus the assistance of Supernumerary Ministers and visiting Preachers when available.

### **Brief financial review of the year**

In the year to August 31 2021 the total Circuit Funds, before profit on a property sale, achieved a net loss of £660 (2020 surplus of £5,088) compared to the anticipated Budget loss for the year of £27,045. The improvement arose as a result of lower travel cost, later employment of the Circuit Administrator and underspend on Designated Funds mainly from lower expenditure on manse repairs and which represents deferral of expenditure to a future occasion.

### **Income trends**

Circuit income is primarily drawn from the quarterly assessment paid over by the circuit churches. Investment income relates to the rental of Marks Tey Methodist Church.

### **Expenditure trends**

Stipend expenditure has increased in the financial year in line with the Methodist Conference approved increases from September 2020, while in 2020-21 the Circuit did not incur the cost of a community worker. At end August 2021 the Circuit had 3 (2020 3) full time ministers.

The Circuit contribution to the Beds Herts and Essex Methodist District and central Connexion, of which a significant part is used to fund the work of the wider Methodist Church, was £36,020 which represented an increase of £ 2,040 compared to 2019-20.

The Manse repair and maintenance fund is being replenished annually from the General Fund in line with centrally suggested increase levels and any monies unspent are carried forward to later years. Other property repairs relate to repairs, burial ground maintenance and insurance costs for other properties overseen by the Circuit.



**Colchester Methodist Circuit**  
**Trustees Annual Report for the year ended 31 August 2021 (Cont'd)**

**Brief financial review of the year (cont'd)**

At August 31 2021 there were 2 Circuit Churches, which were no longer in use, under offer of sale with agreed sale prices but contracts not yet exchanged. It has been thought prudent to recognise the potential losses on sale which may result. Accordingly a charge of £35,000 has been entered in the accounts for the year ended August 31 2021.

The premises at Boxted were finally sold in July 2021 and the net proceeds, after Connexional Levies, deposited with The Trustees for Methodist Church Purposes (TMCP) in the Circuit Model Trust Fund, which is unrestricted as regards future use by the Circuit.

**Fund balances**

As at 31 August 2020 the total net current assets of the Circuit were £371,063, but this includes £229,334 held in the Model Trust Fund at TMCP and which has been designated for use in creating a new Church Community in the area on new build known as Chesterwell. The adjusted level of net current asset of £141,729 provides approximately 8 months cover for projected Circuit total expenditure in 2021-22.

Whilst higher than might be thought normal, it is considered prudent to retain this level to accommodate the possibility, that due income fall-off resulting from Covid –19 and reduced number of churches in the Circuit, the remaining churches might find it difficult to maintain the current level of Circuit assessment in future years.

**Plans for 2021/22**

The Circuit Budget has been prepared on the basis that there would be 3 full time ordained staff receiving anticipated cost of living stipend increase at September 2021 combined with having a part time Circuit administrator in post for a full year plus other estimated cost increase. Due to the financial effects of Covid -19 on the income of churches, it was not possible to implement the normal agreed formula in calculating Church Assessments for 2021-22. As a result the assessments were agreed to be the 2020-21 level but reduced by 6.50% to £155,696.

The resulting Budget shortfall of £38,885 together with actual variations from the Budget will be met from the Circuit General Reserve.

The year 2021-22 will inevitably be a year of consolidation alongside a re-assessment by the Circuit and its constituent churches of the pattern of witness within Colchester.

**Basis of preparation and legal framework**

The charities Report and Accounts have been prepared 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 (FRS102) and taking note of the Update Bulletin 1 issued in 2016.

Full Name of Charity: Colchester Methodist Circuit Board

Registration Charity Number: 1138024

Date of registration 15 September 2010

Main communication address 39 New Town Road  
Colchester, Essex, CO1 2EF

**Colchester Methodist Circuit**  
**Trustees Annual Report for the year ended 31 August 2021 (cont'd)**

**Circuit Ministers and officers in 2020-21**

Circuit Ministers	Rev'd A D Jenkins (Circuit Superintendent) Rev'd K Chalmers Rev'd J N Adams
Circuit Stewards	Mrs S Dempsey Mrs A Lankester Mr T Trevers (Administration) Mr G Wilcox (Finance) Mr E Pentney (Property)

Mr G Wilcox acted as the principal officer overseeing the day- to- day financial management and accounting for the Circuit during the year.

The voting members of the Colchester Methodist Circuit meeting are the Charity Trustees being a membership being made up of Circuit office holders, ministers and representatives appointed by the churches in the Circuit.

Full membership of the Circuit Meeting at 31 August 2021 appears as Appendix A to this report.

**Professional Advisers to the Circuit**

Independent Examiner	Mr V P Chandler ACA FCCA, of Moore Green Chartered Accountants 22 Friars Street Sudbury, Suffolk CO10 2AA
Investment Bankers	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
Bankers	Barclays Bank PLC, High Street Branch Colchester, CO1 1 DA
Solicitors	Thompson Smith and Puxon Stable 6, Stable Road Colchester, CO2 7GL

**Colchester Methodist Circuit**  
**Trustees Annual Report for the year ended 31 August 2021 (cont'd)**

**Professional Advisers to the Circuit (cont'd)**

Property	Boydens, Estate Agents Aston House, 57-59 Crouch Street Colchester, CO3 3EY  Morley Riches & Ablewhite LLP 4 Kings Court, Newcomen Way Colchester, CO4 9RA  TMA Professional Services LLP The Gatehouse, 116-118 Rainsford Road Chelmsford, CM1 2QL
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**Aims and organisation**

The Charity objective is to act as a resource provider within the area around Colchester for the Methodist Church:

"The purposes of the Methodist Church are and shall be deemed to have been since the Date of the Deed of Union the advancement of:

- a) The Christian faith in accordance with the doctrinal standards and discipline of The Methodist Church;
- b) Any charitable purpose for the time being of any Connexional, District, Circuit. Local or other organisation of The Methodist Church;
- c) Any charitable purpose for the time being of any society or institution subsidiary or ancillary to The Methodist Church;
- d) Any purpose for the time being of any charity being a charity subsidiary or ancillary to The Methodist Church"

The organisation and resourcing of regular public acts of worship open to members of the church and non- members alike.

The teaching of Christianity through sermons, courses and small groups.

The resourcing of pastoral work including visiting the sick and bereaved.

Taking religious assemblies in local schools.

Promotion of Christianity through the staging of events and services.

Provision of chaplaincy services to the local university and other institutions.

**Public Benefit**

We confirm the trustees have had regard to the Charity Commission's guidance on public benefit.

**Colchester Methodist Circuit**  
**Trustees Annual Report for the year ended 31 August 2021 (cont'd)**

**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, plus the Circuit Finance and Resources Committee.

**Trustee Training**

A range of guidance produced by Methodist Connexion to support the effective running of the Circuit, specifically the leaflet 'The Role of a Trustee in The Methodist Church' is available to all new Circuit meeting members as induction to their role as trustees. Other training resources are made available by the Methodist Connexional offices.

**Related Parties**

The Circuit is part of the Beds, Essex & Herts Methodist District and is also accountable to the Methodist Conference.

The following active Methodist Churches are linked to the Circuit:

The Ark (Highwoods), Castle, Lexden (including Tollgate Methodist Community), Mersea Island, The Well (formerly Mile End), Wimpole Road and Wivenhoe.

**Risk Management**

The major risks have been identified and recorded by the Leadership team Meeting and the Circuit Finance and Resources Committee with professional advice taken as required.

There is a regular annual review process undertaken and recorded.

Income and Expenditure is being monitored in total and is compared with the approved annual budget on a quarterly basis to detect trends as part of the risk management process and to avoid unforeseen calls on reserves.

**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 Church 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.



## **Colchester Methodist Circuit**

### **Trustees Annual Report for the year ended 31 August 2021 (cont'd)**

#### **Safeguarding (cont'd)**

- 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, co-operating 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 Colchester Methodist 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 Circuit Safeguarding Officer monitors the level of training required by all those subject to Safeguarding Certification requirements via the national Disclosure and Barring Scheme and the currency of those certificates via local Church Safeguarding Officers.

The Colchester Methodist Circuit commits itself to the provision of support, advice and training for lay and ordained people that will ensure people are clear and confident about their roles and responsibilities in safeguarding and promoting the welfare of children and adults who may be vulnerable.

#### **Reserves Policy**

The normal Reserves Policy for the Circuit is to hold a minimum sum equivalent to 4 months' average expenditure. In normal times this should be sufficient to meet any unforeseen item of major expenditure on manses and / or to be able to continue, in the short term, funding planned activities in the event of any inability of churches to raise the full Circuit Assessment and having regard to possible future changes in Circuit Church composition and financing requirements. Currently, however, it is deemed prudent to hold a higher level of reserves to cover future uncertainty over the development of the Circuit following the various Church closures and the effect on local Church finances of the current Covid-19 Pandemic.

**Colchester Methodist Circuit**

**Trustees Annual Report for the year ended 31 August 2021 (cont'd)**

**Trustees' responsibilities**

The Trustees are required to prepare financial statements 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;
- Made judgements and estimates that are reasonable and prudent;
- Followed applicable accounting standards;
- Prepared the financial statements on the going concern basis.

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

**Signed on behalf of the Circuit Leadership Team**



**Rev'd A D Jenkins, Circuit Superintendent**



**Mr. G Wilcox, Circuit Treasurer**

Date March 22 2022

Name of Circuit		COLCHESTER				Circuit No	34-06
Statement of Financial Activities (SOFA) for the year ended 31 August 2021							
	Notes to the accounts	General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Designated Funds (unrestricted)	Restricted Funds	Endowment Funds	Total 2020-21
		£	£	£	£	£	£
Income							
1 Donations and legacies	4	200					200
2 Income from monetary investments	5	192	89		13		294
3 Income from investment properties	6			6,000			6,000
4 Assessments on Churches	7	166,508					166,508
5 Capital Receipts	8						0
6 Grants received	9						0
7a Other charitable income	10						0
7b Other income	11	1,307		3,061			4,368
8 Total income		168,207	89	9,061	13	-	177,370
Expenditure							
9 Grants and donations	12	1,800		25			1,825
10 Salaries and associated costs	13	119,675					119,675
11 Property maintenance	14	2,150		13,917			16,067
12 Connexional assessment & Levy	15	28,096	634				28,730
13 District Assessment & Levy	15	7,924					7,924
14 Depreciation	3						0
15 Office expenses	16	3,370					3,370
16 Other outgoings	17	268	51	120			439
17 Total charitable expenditure		163,283	685	14,062	0	0	178,030
18 Gains/(losses) on monetary investments							0
19a Gains/(losses) on investment properties							
19b Profit on Property sales	8	24,892					24,892
20 Net income/(expenditure)		29,816	-596	-5,001	13	0	24,232
21 Transfers between funds	-	217,887	204,537	12,850	500		0
22 Other gains/(losses)	18	- 35,000					-35,000
23 Net movement in funds		-223,071	203,941	7,849	513	0	-10,768
24 Total funds brought forward		2,245,132	25,393	78,074	11,740		2,360,339
25 Total funds carried forward	23,24	2,022,061	229,334	85,923	12,253	-	2,349,571



Name of Circuit

COLCHESTER

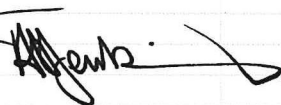
Circuit No

34-06

## Balance Sheet as at 31 August 2021

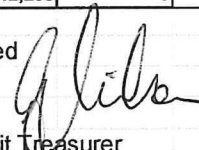
	Notes to the Accounts	General Fund (Unrestricted) £	Circuit Model Trusts (Unrestricted) £	Designated Funds (Unrestricted) £	Restricted Funds £	Endowment Funds £	Totals 2020/21 £	Totals 2019/20 £
<b>Fixed Assets</b>								
Circuit Manses & Equipment	3,19	1,425,000					1,425,000	1,425,000
Circuit Churches	3,19	304,548					304,548	518,693
Investment properties	3,19	248,960					248,960	248,960
Investments							0	
<b>Total fixed assets</b>		<b>1,978,508</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,978,508</b>	<b>2,192,653</b>
<b>Current Assets</b>								
Debtors	20	10,709					10,709	10,401
Loans by the Circuit		0					0	
Investments with TMCP	21	0	229,334				229,334	25,393
Central Finance Board Deposits	21	33,868		85,212	12,253		131,333	168,122
Cash at Bank and in hand	21	2,617		827			3,444	7,727
<b>Total current assets</b>		<b>47,194</b>	<b>229,334</b>	<b>86,039</b>	<b>12,253</b>	<b>0</b>	<b>374,820</b>	<b>211,643</b>
<b>Current liabilities</b>								
Creditors (due in under 1 year)	22	3,641		116			3,757	43,957
Grants payable within 2018-19							0	0
<b>Total current liabilities</b>		<b>3,641</b>	<b>0</b>	<b>116</b>	<b>0</b>	<b>0</b>	<b>3,757</b>	<b>43,957</b>
<b>Net current assets/liabilities</b>		<b>43,553</b>	<b>229,334</b>	<b>85,923</b>	<b>12,253</b>	<b>0</b>	<b>371,063</b>	<b>167,686</b>
<b>Total assets less current liabilities</b>		<b>2,022,061</b>	<b>229,334</b>	<b>85,923</b>	<b>12,253</b>	<b>0</b>	<b>2,349,571</b>	<b>2,360,339</b>
<b>Long term liabilities (due after more than one year)</b>								
Grants payable after 2018-19							0	0
Loans to the Circuit							0	0
							0	0
<b>Net assets</b>		<b>2,022,061</b>	<b>229,334</b>	<b>85,923</b>	<b>12,253</b>	<b>0</b>	<b>2,349,571</b>	<b>2,360,339</b>
<b>Funds of the Circuit</b>								
General Fund (Unrestricted)	23,24	2,022,061					2,022,061	2,245,132
Circuit Model Trust Fund (Unrestricted)	23,24		229,334				229,334	25,393
Designated Funds (Unrestricted)	23,24			85,923			85,923	78,074
<b>Total Unrestricted Funds</b>							<b>2,337,318</b>	<b>2,348,599</b>
Restricted Funds	23,24				12,253		12,253	11,740
Endowment Funds	2					0	0	
<b>Total Funds</b>		<b>2,022,061</b>	<b>229,334</b>	<b>85,923</b>	<b>12,253</b>	<b>0</b>	<b>2,349,571</b>	<b>2,360,339</b>

Signed



Circuit Superintendent

Signed



Circuit Treasurer



## **Colchester Methodist Circuit**

### **Notes to the Accounts for the year ended 31 August 2021**

#### **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 (FRS102) and taking note of the Update Bulletin 1 issued in 2016.

#### **2 Funds**

The funds held constitute: General Funds held for any purpose of the Circuit which are unrestricted. The Circuit Model Trust Fund has wide purposes defined in Standing Orders and is categorised as unrestricted. Designated Funds are those specified for particular purposes but remain unrestricted. Restricted funds are those held for a narrower purpose. There are no Endowment funds. Details of each material fund are disclosed in note 23 to these accounts. Any funds may be represented by more than just cash.

#### **3 Accounting policies**

##### **Basis**

These accounts have been prepared on the basis of historical cost, professionally suggested current market values of property in use and the anticipated net realisable value in the case of properties potentially to be disposed of in the next two years. The accruals basis has been followed 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 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**

The Circuit is not VAT registered and all input VAT is charged with the expense to which it refers.

#### **Tangible fixed assets for use by the Circuit**

Tangible fixed assets are capitalised if they can be used for more than one year, and cost at least £1000. All properties are freehold and the estimated land component of all properties is indicated in note 19 to the accounts.

No depreciation is provided on buildings since the Trustees consider the current residual fair value of the manse buildings and other properties (on the assumption that they had reached the end of their useful economic life by the year-end) to be not less than their current value. Any depreciation would not be material. The properties were reviewed for impairment at August 2018.

##### **Investment Properties**

The church premises at Marks Tey is deemed to be an Investment Property in that there are no immediate plans to dispose of it and a rental income is being received.

##### **Investments**

Apart from a Cash Deposit Account with CFB, which is available at call, and proceeds from property sales deposited with TMCP the Circuit had no other monetary investments.

**Colchester Methodist Circuit  
Notes to the Accounts (Cont'd)**

**Debtors and Prepayments**

The main prepayment included in the accounts is in respect of the payment made, in late August 2021, to Methodist Church Centrally being the value of monthly Ministerial Stipend due to Ministers on September 1 2021, and payable in advance by Circuits

**Creditors**

Creditors relate to unpaid invoiced expenditure at August 31 2021 plus provisions for amounts likely to become payable associated with year to August 31 2021 accounting period.

**Impact of Accounting changes**

In preparing the Accounts the trustees have considered whether, in applying the accounting policies required by FRS102 and the Charities SORP 102, the statement of comparative items was required. The Balance Sheet at 31 August 2021 includes the corresponding amounts from the 2019-20 Accounts in these accounts for comparison purposes.

**Values**

All data is stated in "rounded" £ sterling

**4. Donations and Legacies**

A donation of £200 to the General Fund was received in 2020-21

**5. Income from Monetary Investments**

This has been derived entirely from funds deposited with the Central Finance Board (CFB) and Trustees for Methodist Church purposes (TMCP).

**6. Income from Investment Properties**

	<u>2021</u>	<u>2020</u>
<u>General Fund</u>	Nil	Nil
<u>Designated Fund – Marks Tey</u>		
Rental of part church premises	6,000	6,000

**7. Assessment on Churches**

Each Circuit church is assessed for a yearly contribution towards meeting the costs of the Circuit's operations, including the payment of Ministerial costs and the Circuit's annual assessment in respect of Beds, Essex & Herts Methodist District and the Methodist Connexion. The amount assessed on each church is considered and agreed annually by the Finance and Resources Committee and confirmed at the summer Circuit Meeting.

**8. Capital receipts and Profit on Property sales**

In late July 2021 the remaining parts of the property at Boxted Methodist Church were sold.

The resulting profit resulting from the disposal of the property, including the Paddock area sold in July 2020, is stated at line 19b of the Statement of Financial Activities (SOFA). The older, closed, burial ground has been dealt with in the form of a long lease to the purchasers of the Church premises.

**9. Grants Received**

There have been no grants received from Connexion, BEH District or external sources in 2020-21

**Colchester Methodist Circuit**  
**Notes to the Accounts (Cont'd)**

**10. Other Charitable Income**

There was NIL charitable Income to be shown under any of the Funds for 2020-21.

**11. Other Income**

	<u>2021</u>	<u>2020</u>
<u>General Fund</u>		
Tendring Circuit Contribution to costs of shared Manse	1,307	1,288
Rent received- Robin Crescent Manse	Nil	Nil
Travel expenses re-imbursed by BEH District	Nil	265
Total	<u>1,307</u>	<u>1,553</u>
<u>Designated Funds</u>		
Letting income & Licence Fee	130	4,026
Sale of Furniture – redundant Churches	2,649	125
Contribution to Utility costs – Boxted	Nil	732
Burial grounds income	140	322
Funds transfer from Boxted Methodist Church	Nil	8,568
Funds transfer from West Bergholt Meth Church	Nil	4,712
Insurance refund – Boxted	140	Nil
Miscellaneous Income	2	Nil
Total	<u>3,061</u>	<u>18,485</u>

**12. Grants & Donations**

In the year to August 31 2021 the following donations were paid from Circuit Funds

	<b>General Fund</b>	<b>Designated Fund</b>
Citizens UK	1,500	
Castle Methodist Church – online Worship service reproduction	300	
Expedition Josh – Cycle Ride		25
Total	<u>1,800</u>	<u>25</u>

**13. Salaries and Associated Costs**

In year 2020-21 the Circuit had 3 full time Presbyters (August 2020 - 3). In 2020 the Circuit shared the cost of a Community Worker based at The Ark Methodist Church to reflect work carried out within other Circuit Churches and on Circuit activities – this post was declared redundant in June 2020. The Circuit is required to pay “employer” contributions to the Methodist Ministers Pension Scheme in respect of all Presbyters. The pension scheme is controlled and administered by The Methodist Church centrally.

**Colchester Methodist Circuit**  
**Notes to the Accounts (Cont'd)**

**13. Salaries & Associated Costs (Cont'd)**

A home telephone and broadband connection is provided solely for use on Circuit business and travel costs incurred on Circuit business are re-imbursed against expense claims.

The Ministers' Manses are provided by the Circuit and the Circuit maintains and insures the properties. The value of Community Charge and Water Charges are shown below but these are not regarded by HMRC as "Benefits in Kind"

All costs of the Presbyters are met by the General Fund, except where it is possible for allocation to a Designated Fund. In such cases the costs are included with "Other Outgoings".

	<u>2021</u>	<u>2020</u>
Stipends (incl. Community Worker)	79,550	92,770
Pension Contributions	20,598	20,056
NI & Apprenticeship Levy	7,803	7,731
Computer Grant	507	495
Travel	446	3,457
'Phone	1,815	2,057
Community Charge	7,524	7,551
Water charges	1,432	1,835
 Total	 <u>119,675</u>	 <u>135,952</u>

**14. Property Maintenance**

The maintenance costs of properties, shown as expenses incurred by the General Fund, relate to the costs of insurance for Circuit Manses.

The cost of repair and maintenance for the Circuit Manses are met from a Fund specifically designated for this purpose and which is funded from the General Fund in line with Connexional recommended levels for amounts to be set aside annually on a per manse basis and to maintain the fund in positive territory. Other Designated Fund property maintenance costs relate to insurance costs, utility costs and property costs for Boxted, Fingringhoe, West Bergholt and Marks Tey churches where applicable.

**15. Connexional and District Assessments**

These Assessments are calculated to reflect the number of Church members and the staffing of the Colchester Circuit in proportion to the total numbers within the Beds, Essex & Herts Methodist District. 50% of the assessment is calculated using membership and 50% using staffing levels.



**Colchester Methodist Circuit**  
**Notes to the Accounts (Cont'd)**

**16. Office Expenses**

**General Fund**

	<u>2021</u>	<u>2020</u>
Stationery, Printing, Postage	422	426
Computer costs	192	639
Ministerial Admin. Assistance	1,711	300
Independent Examination cost	1,045	1,098
<b>Total</b>	<b><u>3,370</u></b>	<b><u>2,463</u></b>

**17. Other Outgoings**

General Fund

	<u>2021</u>	<u>2020</u>
Supply Preacher Fees	125	200
Other travel costs	48	274
General Insurance	162	137
Training	Nil	153
Professional fees	(240)	961
Advertising	50	Nil
Equipment	82	85
Sundry expenses	41	117
<b>Total</b>	<b><u>268</u></b>	<b><u>1,927</u></b>

Model Trust Fund

	<u>2021</u>	<u>2020</u>
TMCP Administration Fee	<u>51</u>	<u>Nil</u>

Designated Funds

	<u>2021</u>	<u>2020</u>
Quinquennial inspection costs	Nil	1,620
Assessments paid - Fingringhoe	Nil	736
Professional Fees	120	Nil
Funds transferred to		
The Well	Nil	5,000
Sundry expenses	nil	181
<b>Total</b>	<b><u>120</u></b>	<b><u>7,537</u></b>

**Colchester Methodist Circuit**  
**Notes to the Accounts (Cont'd)**

**18. Other Gains/(Losses)**

The amount disclosed under "Other gains/losses" represents provision for the anticipated losses likely to arise on the sales of Fingringhoe and West Bergholt Methodist Churches when comparing the probable net proceeds with the values of the property held within Tangible Fixed Assets at August 31 2021.

**19. Tangible Fixed Assets**

At 31 August 2021 the Colchester Circuit possessed 3 Manses and the churches at Fingringhoe and West Bergholt which are considered to be part of Operating assets at present, while the property sales await completion. In addition Marks Tey Methodist Church, which is under the control of the Circuit, is considered to be an Investment Property. This property is currently let to a Life Skills training organisation.

The Circuit has retained ownership of the newer burial ground at Boxted and this is included in Tangible Fixed Assets at a nominal value of £100.

As stated under Note 3 to the accounts no depreciation has been charged on Fixed Assets.

The Trustee for Methodist Church Purposes (TMCP) is the legal owner and custodian trustee of all Methodist Trust property, Legacies, Endowments and Accumulated Funds. Trust property is held for and on behalf of local Managing Trustees who are responsible for day- to- day management of trust property. TMCP ensure that, through providing advice and acting under their direction, the local Managing Trustees comply with Charity law and Methodist law and polity as determined by the Methodist Conference.

Operating Properties

	<u>Land</u>	Manse <u>Buildings</u>	Church <u>Buildings</u>	<u>Total</u>
Balance at 1 Sept 2020	465,405	1,072,500	405,788	1,943,693
Disposals in year	(28,055)	-	(151,090)	(179,145)
Provision for future losses on sales			(35,000)	(35,000)
Balance at 31 Aug 2021	<u>437,350</u>	<u>1,072,500</u>	<u>219,698</u>	<u>1,729,548</u>

Investment Properties

	<u>Land</u>		Church <u>Buildings</u>	<u>Total</u>
Balance at 1 Sept 2020	62,250	-	186,710	248,960
Balance at 31 Aug 2021	<u>62,250</u>		<u>186,710</u>	<u>248,960</u>
Total all Properties	<u>499,600</u>	<u>1,072,500</u>	<u>406,408</u>	<u>1,978,508</u>

**Colchester Methodist Circuit**  
**Notes to the Accounts (Cont'd)**

**20. Debtors and Prepayments**

	<u>General Fund</u>		<u>Designated Funds</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Prepaid Stipends	9,057	9,159	-	-
Property Surveys paid in advance	300	Nil	-	-
Legal Fees paid in advance	500	500		
Other Debtors and Prepayments	<u>852</u>	<u>646</u>	<u>Nil</u>	<u>96</u>
Total	<u>10,709</u>	<u>10,305</u>	<u>Nil</u>	<u>96</u>

**21. Cash at Bank and in hand**

Apart from £827 currently remaining in the bank account of West Bergholt Church, all Balances at Bank are held within the General Fund. Designated Fund balances are deemed to be held within the deposits at the Central Finance Board from which regular monthly transfers to the Circuit's current account with Barclays Bank PLC are made to meet the monthly actual expenditure for all funds. The balance held by TMCP as Circuit Model Trust money derives from the sale of Boxted Methodist Church premises.

**22. Creditors and Accruals – due in under 1 year**

	<u>General Fund</u>		<u>Designated Funds</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Trade creditors	268	220	33	383
Circuit Assessments in advance	Nil	41,852	-	-
Other Creditors and Accruals	2,298	422	83	-
Independent Examination Fee	1,075	1,080	-	-
Total	<u>3,641</u>	<u>43,574</u>	<u>116</u>	<u>383</u>

**23. Funds**

Unrestricted General Fund

This is used at the discretionary use of the Trustees in the furtherance of the general objectives of the Circuit and where funds have not been designated for other purposes. The vast majority of the total General Fund is held as freehold properties, being manses for Ministers and churches under the control of the Circuit.

General Fund includes the Circuit Model Trust Fund, which is an unrestricted fund, and at 31 August 2021 represented the net proceeds from the sale of property at Boxted Methodist Church.

**Colchester Methodist Circuit**  
**Notes to the Accounts (Cont'd)**

**23 Funds (Cont'd)**

Designated Funds

These are Funds designated for specific purposes but whose use is not restricted by any document or deed to the purpose indicated. Details of movements in these funds during 2020-21 are set out below.

Restricted Funds

These comprise the Circuit Benevolent Fund and a donation received, the terms of which specify that it may only be utilised in Development and Outreach work in connection with establishing a Methodist presence within the area of new housing being built in the Tollgate area of Colchester.

Fund Movements

	Balance <u>1 Sept '20</u>	<u>Income</u>	<u>Payments</u>	<u>Transfers</u>	Balance <u>31 Aug '21</u>
General Fund:-					
Property Reserves	2,161,141	24,981	(35,685)	-	2,150,437
Current Reserves	<u>109,384</u>	<u>168,207</u>	<u>(163,283)</u>	<u>(13,350)</u>	<u>100,958</u>
	<u>2,270,525</u>	<u>193,188</u>	<u>(198,968)</u>	<u>(13,350)</u>	<u>2,251,395</u>

Transactions shown under Property Reserves relate to profits & provisions on property sales plus income & expenses in the Model Trust Fund which has resulted from property transactions.

Designated Funds:-

	Balance <u>1 Sept '20</u>	<u>Income</u>	<u>Payments</u>	<u>Transfers</u>	Balance <u>31 Aug '21</u>
Boxted	1,394	1,167	(1,969)	-	592
Fingringhoe	4,059	444	(1,976)	-	2,527
Marks Tey	19,778	6,000	(4,257)	(5,000)	16,521
West Bergholt	1,969	1,450	(3,797)	1,000	622
Local Preachers\					
Worship Leaders	412	-	-	-	412
Development	30,112	-	-	-	30,112
Manse Repairs	11,445	-	(2,063)	14,140	23,522
Quinquennials	555	-	-	1,710	2,265
Ministers Reloc'n	<u>8,350</u>	<u>-</u>	<u>-</u>	<u>1,000</u>	<u>9,350</u>
Total	<u>78,074</u>	<u>9,061</u>	<u>(14,062)</u>	<u>12,850</u>	<u>85,923</u>



**Colchester Methodist Circuit**  
**Notes to the Accounts (Cont'd)**

**23 Funds (Cont'd)**

Restricted Funds:-

Development –

Tollgate	9,472	13	-	-	9,485
Benevolent	<u>2,268</u>	<u>-</u>	<u>-</u>	<u>500</u>	<u>2,768</u>
Total	<u>11740</u>	<u>13</u>	<u>-</u>	<u>500</u>	<u>12,253</u>

TOTAL FUNDS	<u>2,360,339</u>	<u>202,262</u>	<u>( 213,030)</u>	<u>NIL</u>	<u>2,349,571</u>
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**24. Analysis of net assets between funds**

	Fixed <u>Assets</u>	Net Current <u>Assets</u>	<u>Total</u>
General Fund:-			
Property Reserves	1,921,103	229,334	2,150,437
Current Reserves	<u>57,405</u>	<u>43,553</u>	<u>100,958</u>
	<u>1,978,508</u>	<u>272,887</u>	<u>2,251,395</u>
Designated Funds:-			
Boxted	-	592	592
Fingringhoe	-	2,527	2,527
Marks Tey	-	16,521	16,521
West Bergholt	-	622	622
Local Preachers\			
Worship Leaders	-	412	412
Development	-	30,112	30,112
Manse Repairs\Maintenance	-	23,522	23,522
Quinquennial Inspections	-	2,265	2,265
Ministers Relocation	<u>-</u>	<u>9,350</u>	<u>9,350</u>
	<u>-</u>	<u>85,923</u>	<u>85,923</u>
Restricted Funds:-			
Development – Tollgate	-	9,485	9,475
Benevolent	<u>-</u>	<u>2,768</u>	<u>2,768</u>
	<u>-</u>	<u>12,253</u>	<u>12,253</u>
TOTAL FUNDS	<u>1,978,508</u>	<u>371,063</u>	<u>2,349,571</u>

**Colchester Methodist Circuit**  
**Notes to the Accounts (Cont'd)**

**25. Related parties and Trustees expenses**

No Trustees made donations to the Circuit during the year. All of the Trustees are members of a church in the Circuit and may also be on the Church Councils of those churches.

Related parties include the Methodist Conference, the Beds Essex & Herts Methodist District, other circuit churches, CFB and TMCP. Only one Trustee has undertaken authorised paid work for the Circuit and another Trustee has indicated a non - beneficial link via family marriage with a supplier to the Circuit.

No remuneration was paid to any Trustee during the financial period.

Expenditure related solely to relevant expenses of the circuit and the payments to Trustees were simply reimbursement of such. The total amounted to £1,106.

**26 Volunteer Contributions**

The Circuit and all Circuit churches are heavily dependent on volunteers who contribute skills, time, energy and in the case of churches money. This is primarily in the filling of specific posts and by serving on Committees. The Circuit is very grateful to them all for their help and commitment. No attempt has been made to value the voluntary contributions in financial terms.

**27. Capital Commitments and Contingent Liabilities**

There were no capital commitments or Contingent liabilities existing at year end

Name of Circuit **Colchester**

Circuit No **34-06**

## Declarations and Scrutiny

I confirm that these accruals-based accounts for the year to 31 August 2021 have been prepared from the records of the Circuit and that they include all funds under the control of the Circuit meeting.

Signature of Treasurer .....  ..... Date February 15 2022.

Name and address of Treasurer: Geoffrey Wilcox

2 Ladell Close, Colchester, CO3 9XT

### Presentation to the Circuit meeting

I confirm that the annual report and accounts for the year ended 31 August 2021 will be presented to the Circuit meeting to be held on March 30 2022.

Signature of the Chair of the meeting .....  .....

Name of the Chair of the meeting Alan D Jenkins

Date ..... 22/3/22 .....

# **Independent Examiner's Report to the Trustees of the Colchester Methodist Circuit**

**Charity Number 1138024**

## **Responsibilities and basis of report**

I report to the trustees on my examination of the accounts of the Colchester Methodist Circuit for the year ended 31 August 2021 set out on pages 10 to 21. 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 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 not obtained independent verification of all investments with the Trustees for Methodist Church Purposes or held in other trusts, bank balances and funds at the Central Finance Board of the Methodist Church which are individually in excess of £10,000 (ten thousand pounds) at the balance sheet date.

Signature of independent examiner ..... 

Name of independent examiner: Vincent P Chandler

Relevant professional qualification of independent examiner ACA, FCCA

Name of firm: Moore Green, Chartered Accountants

Address: 22 Friars Street, Sudbury, Suffolk, CO10 2AA

Date ..... 25/11/22 .....



**Colchester Methodist Circuit**

**Circuit Managing Trustees at 31 August 2021**

Ministers	Rev'd Alan Jenkins (Superintendent and Chairman) Rev'd Ken Chalmers Rev'd Joe Adams
Supernumerary Ministers	Rev'd Paul Howes
Circuit Stewards	Mrs Sheila Dempsey Mrs Avril Lankester Mr Edward Pentney Mr Tony Trevers Mr Geoffrey Wilcox
Circuit Local Preachers Representative	Mr Ron Firmin
Circuit Safeguarding Co-ordinator	Dr Geoff Casey
Social Issues Working Group Co-ordinator	Mr Keith Thompson
Representatives appointed by Circuit Churches: -	
The Ark, Highwoods	Mrs Pat Baker Miss Rachel van Staveren Mrs Judith Winward
Castle	Mr Malcolm Butler Miss Jane Dansie Mr Richard Pettit Mr Chris Pratt
Lexden	Mr Neil Austin Mr Alan Beesley Mrs Vivian Wilcox
Mersea Island	Rev'd David Moody Mrs Joan Moody
The Well, Mile End	Mrs Judith Fletcher Mr John Jones Mrs Di Thompson
Wimpole Road	Mr Peter Broom Mrs Margaret Clubb Mrs Christine Firmin Mr Andrew Topple
Wivenhoe	Mr Phil Bingham Mr Brian Dack Mrs Betty Rampling