



THE METHODIST CHURCH

COLCHESTER METHODIST CIRCUIT

Registered Charity number 1138024

TRUSTEES REPORT and ANNUAL ACCOUNTS

For the year ended 31 August 2022

(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 2022

Chair of Trustees Report

The main theme dominating the year 2021-22 was to work out the differing ways in which the Circuit and churches returned following the Covid pandemic. By the end of the year on-site worship had resumed in all churches. Other activities have been reviewed with some beginning again and others in abeyance it being considered that it now is not the right time to resume. There continue to be weekly Zoom services and Bible study offered and which attract a good number of people as well as on-site activities and groups.

There has been some considerable change within the leadership of the Circuit. The Superintendent and his presbyteral colleague both 'sat down' (retired) in July 2022. The Circuit expressed its thanks and appreciation of their contribution to the Circuit at a special service at that time. A new Superintendent was welcomed in September 2022. Within the Circuit Steward team, two new Stewards have been welcomed to the team and grateful thanks are expressed for those who have chosen to stand down. This period of adjustment also includes an acknowledgement that the Circuit is now working with a team of two presbyters as opposed to three previously.

This period of change has precipitated a review of the ways of working within the Circuit. To this end, more small groups are now being formed to consider differing aspects of the life of the Circuit such as Communications. It is hoped that other small groups will be formed as it encourages more people to be involved in the leadership of the Circuit, in a way that is time limited and more conducive to the other responsibilities that people hold.

During the 2021-22 Connexional year much consideration and review of the way of the financial management of the Circuit was undertaken. This work continued into September 2022, and beyond, with a focus on ensuring that the financial knowledge is shared between a wider group of people to make a more sustainable model. A small Finance Group was set up in August 2022 to further consider this work and made recommendations to the September Circuit Meeting to employ a part time Circuit Finance Officer who would work in conjunction with the Finance Group to oversee the financial affairs of the Circuit.

The Circuit membership at 1st November 2021 stood at 330. This represents a reduction of 22 from the previous year. Throughout the 2021-22 Connexional year several churches have undertaken a review of membership.

Individual churches are being attentive to their context and the situation in the world. Several churches are considering their response to the climate crisis with possible involvement in the Eco Church Award. The economic crisis also looms large for many and the possibilities for reaching out to local communities is being considered.

There are many talented and committed volunteers whose care and support cannot be underestimated. The time, effort and energy that is put into Circuit life by so many is testament to the depth of faith that there is within the Circuit. The ministry of the supernumerary ministers is greatly appreciated by many for the work and support they offer to the life of the Circuit.

Looking ahead from September 2022, the Circuit has entered stationing for a presbyter to succeed a minister who will be moving to another Circuit in Summer 2023. It is anticipated that more small groups will be formed so that specific areas of the Circuit's life will be developed more effectively over time. A Circuit newsletter is being reintroduced with a view to churches and the Circuit sharing information about the life of the Circuit and supporting one another. 2022-23 will be a year of consolidation with a focus on mission planning whilst the new team continues to settle and work alongside each other, and the churches within the Circuit. There is a commitment to discerning God's direction for the Circuit and we look forward to all that God has planned.

Rev. Chris Preece

Superintendent Minister

November 2022

Colchester Methodist Circuit

TRUSTEES' ANNUAL REPORT

For the year ended 31 August 2022

Introduction

The Trustees of the Colchester Methodist Circuit are pleased to present their Annual Report and Accounts for the Methodist year ended 31 August 2022. This has been a very challenging year for the Circuit staff, Circuit officers and other volunteers resulting from staff sickness and, due to the Covid- 19 Coronavirus pandemic, Circuit Churches having to remain closed until early summer 2021 before some form of normal worship could be resumed. Inevitably there have been some deaths and people who, for various reasons, have chosen not to return to Church. The Circuit has continued to make wide use of latest communications technology to provide Worship & Bible Study resources to the Circuit and a wider audience.

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 2022 the General Fund, before recognising profit on a property sale, achieved a net operating loss of £8,213 (2021 net profit £4,924) and after transfers to Designated Funds a total General Fund loss of £27,046 (2021 net loss of £8,426) compared to the anticipated Budget loss for the year of £39,896. The improvement arose as a result of significantly lower travel and administration costs, combined with lower than anticipated miscellaneous costs further assisted by receipt of a Connexional grant relating to staff sickness costs.

During the year higher expenditure, compared to 2020-21, was incurred on Manse repair costs mainly associated with re-furbishing of the Cambridge Road manse for the incoming Superintendent. The Trustees are aware that in 2022-23 significant expenditure may be required on the manse at New Town Road to compensate for work previously deferred.

Utility costs continued to be incurred on the vacant West Bergholt property while sale negotiations are ongoing.

At the year end the account balances relating to Fingringhoe (now sold), Boxted and West Bergholt had been reduced to zero. Any further expenses relating to these properties will be dealt with via the General fund or other appropriate designated funds.

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.

Colchester Methodist Circuit
Trustees Annual Report for the year ended 31 August 2022 (Cont'd)

Brief financial review of the year (cont'd)

Expenditure trends

Stipend expenditure has increased in the financial year in line with the Methodist Conference approved increases from September 2021. At end August 2022 the Circuit had 3 (2021 3) full time ministers.

The Circuit contribution to the Beds Herts and Essex Methodist District and the Central Methodist Connexional Office, of which a significant part is used to fund the work of the wider Methodist Church, was £34,924 which represented a decrease of £1,096 compared to 2021-22.

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.

At August 31 2022 the church premises and grounds at West Bergholt, which are no longer in use, remained under offer of sale with agreed sale prices but contracts not yet exchanged.

The premises at Fingringhoe were sold in autumn 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 2022 the total net current assets of the Circuit were £458,354, but this includes £358,800 held in the Model Trust Fund at TMCP and a significant portion of which may be 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 £99,554 provides approximately 7 months cover for projected Circuit total expenditure in 2022-23.

Whilst slightly higher than might be normal policy, it is considered prudent to retain this level to accommodate the possibility that, with reduced attendances and increasing costs, the remaining Circuit churches might find it difficult to maintain the current level of Circuit assessment in future years despite the number of Presbyters having fallen to 2 from September 2022.

Plans for 2022/23

The Circuit Budget has been prepared on the basis that there would be 2 full time ordained staff receiving anticipated cost of living stipend increase at September 2022 combined with having a part time Circuit administrator in post for a full year plus other estimated increases in costs. 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 2022-23. As a result the assessments were agreed to be the 2021-22 level but reduced by 5.0% to £146,944 in total.

The resulting Budget shortfall of £15,268 together with any actual variations from the Budget will need to be met from the Circuit General Reserve.

The year 2022-23 will continue to be a year of consolidation alongside a re-assessment by the Circuit and its constituent churches of the pattern of witness within Colchester.

Colchester Methodist Circuit
Trustees Annual Report for the year ended 31 August 2022 (cont'd)

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

– from September 1 2022 3b Cambridge Road
Colchester, Essex, CO3 3NS

Circuit Ministers and officers in 2021-22

Circuit Ministers Rev'd A D Jenkins (Circuit Superintendent)
Rev'd K Chalmers
Rev'd J N Adams

Circuit Stewards Mr T Trevers (Administration)
Mr G Wilcox (Finance)
Mr E Pentney (Property)
Mrs S Dempsey
Mrs a Lankester

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 2022 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

Colchester Methodist Circuit
Trustees Annual Report for the year ended 31 August 2022 (cont'd)

Professional Advisers to the Circuit (cont'd)

Investment Bankers	Central Finance Board of the Methodist Church 9 Bonhill Street London, EC2A 4PE
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	The Trustees for Methodist Church Purposes Central Buildings Oldham Street Manchester, M1 1JQ
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Bankers	Barclays Bank PLC, High Street Branch Colchester, CO1 1 DA
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Solicitors	Thompson Smith and Puxon Stable 6, Stable Road Colchester, CO2 7GL
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Property	Boydens, Estate Agents Aston House, 57-59 Crouch Street Colchester, CO3 3EY
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	Morley Riches & Ablewhite LLP 4 Kings Court, Newcomen Way Colchester, CO4 9RA
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	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"

Colchester Methodist Circuit
Trustees Annual Report for the year ended 31 August 2022 (cont'd)

Aims and organisation (cont'd)

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

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

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

Taking religious assemblies in local schools.

Promotion of Christianity through the staging of events and services.

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

Public Benefit

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

Structure, Governance and Management

The governing document for the Circuit is the Deed of Union (1932) and Methodist Church Act (1976)

Detailed governance arrangements are outlined within the Constitutional Practice and Discipline of the Methodist Church by order of the annual conference (CPD).

Day to day management of the circuit is undertaken by the Circuit Leadership Team along with the Local Preachers Meeting, 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.

Colchester Methodist Circuit
Trustees Annual Report for the year ended 31 August 2022 (cont'd)

Risk Management (cont'd)

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.
- 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.

Colchester Methodist Circuit

Trustees Annual Report for the year ended 31 August 2022 (cont'd)

Safeguarding (cont'd)

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 Covid-19 Pandemic.

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 C Preece, Circuit Superintendent
(from September 1 2022)

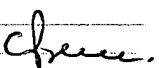
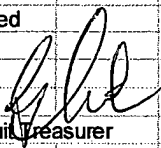


Mr. G Wilcox, Circuit Treasurer

Date

March 28 2023

Name of Circuit		COLCHESTER				Circuit No	34-06
Statement of Financial Activities (SOFA) for the year ended 31 August 2022							
	Notes to the accounts	General Fund (Unrestricted)	Circuit Model Trust (Unrestricted)	Designated Funds (unrestricted)	Restricted Funds	Endowment Funds	Total 2021-22
		£	£	£	£	£	£
Income							
1 Donations and legacies	4			100	2,000		2,100
2 Income from monetary investments	5	423	1,603		50		2,076
3 Income from investment properties	6			6,000			6,000
4 Assessments on Churches	7	154,692					154,692
5 Capital Receipts	8						0
6 Grants received	9	8,778					8,778
7a Other charitable income	10						0
7b Other income	11	1,148		1,559			2,707
8 Total income		165,041	1,603	7,659	2,050	-	176,353
Expenditure							
9 Grants and donations	12	1,150			2,000		3,150
10 Salaries and associated costs	13	122,928					122,928
11 Property maintenance	14	3,537		36,277	450		40,264
12 Connexional assessment	15	27,845					27,845
13 District Assessment & Levy	15	7,079	8,967				16,046
14 Depreciation	3						0
15 Office expenses	16	9,086		43			9,129
16 Other outgoings	17	1,629	654	4,901			7,184
17 Total charitable expenditure		173,254	9,621	41,221	2,450	0	226,546
18 Gains/(losses) on monetary investments							0
19a Gains/(losses) on investment properties							
19b Profit/(loss) on property sales	8	5,324					5,324
20 Net income/(expenditure)		-2,889	-8,018	-33,562	-400	0	-44,869
21 Transfers between funds	22	- 156,317	137,484	18,583	250		0
22 Other gains/(losses)							
23 Net movement in funds		-159,206	129,466	-14,979	-150	0	-44,869
24 Total funds brought forward		2,022,061	229,334	85,923	12,253		2,349,571
25 Total funds carried forward		1,862,855	358,800	70,944	12,103	-	2,304,702

Name of Circuit		COLCHESTER					Circuit No	34-06
Balance Sheet as at 31 August 2022								
	Notes to the Accounts	General Fund (Unrestricted)	Circuit Model Trusts (Unrestricted)	Designated Funds (Unrestricted)	Restricted Funds	Endowment Funds	Totals 2021/22	Totals 2020/21
		£	£	£	£	£	£	£
Fixed Assets								
Circuit Manses & Equipment	3, 18	1,425,000					1,425,000	1,425,000
Circuit Churches	3, 18	172,388					172,388	304,548
Investment properties	3, 18	248,960		0	0	0	248,960	248,960
Total fixed assets		1,846,348	0	0	0	0	1,846,348	1,978,508
Current Assets								
Debtors	19	14,963		33			14,996	10,709
Loans by the Circuit							0	0
Investments with TMCP	20		358,800		1,558		360,358	229,334
Central Finance Board Deposits	20	1,240		73,189	10,545		84,974	131,333
Cash at Bank and in hand	20	3,344					3,344	3,444
Total current assets		19,547	358,800	73,222	12,103	0	463,672	374,820
Current liabilities								
Creditors (due in under 1 year)	21	3,040		2,278			5,318	3,757
Grants payable within 2021-22							0	0
Total current liabilities		3,040	0	2,278	0	0	5,318	3,757
Net current assets/liabilities		16,507	358,800	70,944	12,103	0	458,354	371,063
Total assets less current liabilities		1,862,855	358,800	70,944	12,103	0	2,304,702	2,349,571
Long term liabilities (due after more than one year)								
Grants payable after 2021-22							0	0
Loans to the Circuit							0	0
Net assets		1,862,855	358,800	70,944	12,103	0	2,304,702	2,349,571
Funds of the Circuit								
General Fund (Unrestricted)	22, 23	1,862,855					1,862,855	2,022,061
Circuit Model Trust Fund (Unrestricted)	22, 23		358,800				358,800	229,334
Designated Funds (Unrestricted)	22, 23			70,944			70,944	85,923
Total Unrestricted Funds							2,292,599	2,337,318
Restricted Funds	22, 23				12,103		12,103	12,253
Endowment Funds	2					0	0	
Total Funds		1,862,855	358,800	70,944	12,103	0	2,304,702	2,349,571
Signed		Signed						
								
Circuit Superintendent		Circuit Treasurer						
Date		March 28 2023						

Colchester Methodist Circuit
Notes to the Accounts for the year ended 31 August 2022

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) issued in October 2019.

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 22 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 allowing for potential direct selling costs. The value of the West Bergholt premises is included after allowing for anticipated Connexional Property Levies which will be deducted from the net sale proceeds.

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 proceeds, the Trustees are reasonably certain the resources will be received and the monetary value can be measured with sufficient reliability. In accordance with the Charities SORP (FRS102) the value of time given by 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 18 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 valued by external inspection at September 2021.

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.

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

Investments

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

Debtors and Prepayments

The main prepayment included in the accounts is in respect of the payment made, in late August 2022, to the Methodist Church Centrally being the value of monthly Ministerial Stipend due to the Circuit Ministers on September 1 2022, and payable in advance by Circuits

Creditors

Creditors relate to unpaid invoiced expenditure at August 31 2022 plus provisions for amounts likely to become payable associated with year to August 31 2022 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 2022 includes the corresponding amounts from the 2020-21 Accounts in these accounts for comparison purposes.

Values

All data is stated in "rounded" £ sterling

4. Donations and Legacies

No donations to the General Fund were received during the year. In regard to Designated Funds a donation was received towards the cost of creating a new Garden of Remembrance at West Bergholt Church. A new Restricted Fund was created as the result of a bequest given for the purpose of maintaining the burial grounds at Marks Tey Church.

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>2022</u>	<u>2021</u>
<u>General Fund</u>	Nil	Nil
<u>Designated Fund – Marks Tey</u>		
Rental of church premises & grounds	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 the 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

During the year the Church property at Fingringhoe was sold and the resulting profit on sale is disclosed in the accounts

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

9. Grants Received

The Circuit received a grant from Connexional Funds in relation to the extended sickness of one of the Presbyters during 2021-2022

10. Other Charitable Income

There was no Other Charitable Income to be disclosed for 2021-22

11. Other Income

	<u>2022</u>	<u>2021</u>
<u>General Fund</u>		
Tendring Circuit Contribution to costs of shared Manse	<u>1,148</u>	<u>1,307</u>
 <u>Designated Funds</u>		
Licence Fee re Bus shelter area	129	130
Sale of Furniture – redundant Churches	630	2,649
Burial grounds income	600	140
Compensation	200	Nil
Insurance refund – Boxted	Nil	140
Miscellaneous Income	Nil	2
Total	<u>1,559</u>	<u>3,061</u>

12. Grants & Donations

In the year to August 31 2022 the following donations were paid from Circuit Funds

	General Fund	Restricted Funds
Citizens UK	1,000	
Staff welfare	150	
Colchester Food Bank		1,000
Refugee Action – Colchester		1,000
Total	<u>1,150</u>	<u>2,000</u>

13. Salaries and Associated Costs

In Connexional year 2021-22 the Circuit had 3 full time Presbyters (August 2021 – 3 Presbyters). 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.

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 being “Benefits in Kind”

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

13. Salaries & Associated Costs (Cont'd)

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>2022</u>	<u>2021</u>
Stipends	80,055	79,550
Pension Contributions	22,840	20,598
NI & Apprenticeship Levy	8,045	7,803
Computer Grant	513	507
Travel	1,744	446
'Phone	1,846	1,815
Community Charge	6,361	7,524
Water charges	1,524	1,432
Total	<u>122,928</u>	<u>119,675</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, utilities costs on vacant manses whilst being or awaiting re-furbishing and burial ground maintenance costs at Boxted not met from the remaining Boxted funds balance.

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.

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.

Restricted Fund balances in regard to Marks Tey Burial Ground were utilised to replace the fencing around the burial ground.

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.

Also at 1st September, the Beds, Essex & Herts District takes an annual levy on Circuit Model Trust funds held by TMCP for the purposes of the District Advance Fund.

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

16. Office Expenses

General Fund

	<u>2022</u>	<u>2021</u>
Stationery, Printing, Postage	853	422
Computer costs	208	192
Ministerial Admin. Assistance	6,711	1,711
Mobile 'phone cost Administrator	239	Nil
Independent Examination cost	1,075	1,045
 Total	 <u>9,086</u>	 <u>3,370</u>

The amount shown under **Designated Funds** relates to stationery

17. Other Outgoings

General Fund

	<u>2022</u>	<u>2021</u>
Supply Preacher Fees	940	125
Other travel costs	619	48
General Insurance	162	162
Professional fees	(240)	(240)
Advertising	(222)	50
Equipment	134	82
Sundry expenses	236	41
 Total	 <u>1,629</u>	 <u>268</u>

Model Trust Fund

	<u>2022</u>	<u>2021</u>
 TMCP Administration Fee	 654	 <u>51</u>

Designated Funds

	<u>2022</u>	<u>2021</u>
Quinquennial inspection costs	2,880	Nil
Presbyter re-location costs	2,021	Nil
Professional Fees	Nil	120
 Total	 <u>4,901</u>	 <u>120</u>

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

18. Tangible Fixed Assets

At 31 August 2022 the Colchester Circuit possessed 3 Manses and the church at West Bergholt which is considered to be part of Operating assets at present, while the property sale awaits 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 used by a Life Skills training organisation and negotiations have commenced for a replacement 5-year Lease.

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 2021	437,350	1,072,500	219,698	1,729,548
Disposals in year	(33,750)	-	(98,410)	(132,160)
Balance at 31 Aug 2022	<u>403,600</u>	<u>1,072,500</u>	<u>121,288</u>	<u>1,597,388</u>

Investment Properties

	<u>Land</u>		Church <u>Buildings</u>	<u>Total</u>
Balance at 1 Sept 2021	62,250	-	186,710	248,960
Balance at 31 Aug 2022	<u>62,250</u>		<u>186,710</u>	<u>248,960</u>
Total all Properties	<u>465,850</u>	<u>1,072,500</u>	<u>307,998</u>	<u>1,846,348</u>

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

19. Debtors and Prepayments

	<u>General Fund</u>		<u>Designated Funds</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Prepaid Stipends	6,424	9,057	-	-
Property Surveys &			-	-
Legal Fees paid in advance	8,539	800		
Other Debtors and Prepayments	<u>Nil</u>	<u>852</u>	<u>33</u>	<u>Nil</u>
Total	<u>14,963</u>	<u>10,709</u>	<u>33</u>	<u>Nil</u>

20. Cash at Bank and in hand

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 actual expenditure for all funds. The balance held by TMCP as Circuit Model Trust money derives mainly from the sale of Boxted and Fingringhoe Methodist Church premises.

21. Creditors and Accruals – due in under 1 year

	<u>General Fund</u>		<u>Designated Funds</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Trade creditors	760	268	1,344	33
Other Creditors and Accruals	1,180	2,298	934	83
Independent Examination Fee	1,100	1,075	-	-
Total	<u>3,040</u>	<u>3,641</u>	<u>2,278</u>	<u>116</u>

22. 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 2022 represented the net proceeds from the sale of the property at Fingringhoe Methodist Church.

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

22 Funds (Cont'd)

Designated Funds

These are Funds designated for specific purposes but whose use is not restricted by any document or deed specifying the purpose indicated. Details of movements in these funds during 2021-22 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 together with a bequest specified for maintenance of the burial grounds at Marks Tey.

Fund Movements

	Balance <u>1 Sept '21</u>	<u>Income</u>	<u>Payments</u>	<u>Transfers</u>	Balance <u>31 Aug '22</u>
General Fund:-					
Property Reserves	2,150,437	6,927	(9,621)	-	2,147,743
Current Reserves	<u>100,958</u>	<u>165,041</u>	<u>(173,254)</u>	<u>(18,833)</u>	<u>73,912</u>
	<u>2,251,395</u>	<u>171,968</u>	<u>(182,875)</u>	<u>(18,833)</u>	<u>2,221,655</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 '21</u>	<u>Income</u>	<u>Payments</u>	<u>Transfers</u>	Balance <u>31 Aug '22</u>
Boxted	592	468	(1,060)	-	Nil
Fingringhoe	2,527	285	(238)	(2,574)	Nil
Marks Tey	16,521	6,000	(15,290)	(1,500)	5,731
West Bergholt	622	906	(6,687)	5,159	Nil
Local Preachers\					
Worship Leaders	412	-	(43)	-	369
Development	30,112	-	-	-	30,112
Manse Repairs	23,522	-	(13,002)	13,748	24,268
Quinquennials	2,265	-	(2,880)	1,750	1,135
Ministers Reloc'n	<u>9,350</u>	<u>-</u>	<u>(2,021)</u>	<u>2,000</u>	<u>9,329</u>
Total	<u>85,923</u>	<u>7,659</u>	<u>(41,221)</u>	<u>18,583</u>	<u>70,944</u>

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

22 Funds (Cont'd)

Restricted Funds:-

Development –

Tollgate	9,485	42	-	-	9,527
Benevolent	2,768	-	(2,000)	250	1,018
Marks Tey –					
Burial Grounds	<u>-</u>	<u>2,008</u>	<u>(450)</u>	<u>-</u>	<u>1,558</u>
Total	<u>12,253</u>	<u>2,050</u>	<u>(2,450)</u>	<u>250</u>	<u>12,103</u>

TOTAL FUNDS	<u>2,349,571</u>	<u>181,677</u>	<u>(226,546)</u>	<u>NIL</u>	<u>2,304,702</u>
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23. Analysis of net assets between funds

	<u>Fixed</u> <u>Assets</u>	<u>Net Current</u> <u>Assets</u>	<u>Total</u>
General Fund:-			
Property Reserves	1,789,491	358,252	2,147,743
Current Reserves	<u>56,857</u>	<u>17,055</u>	<u>73,912</u>
	<u>1,846,348</u>	<u>375,307</u>	<u>2,221,655</u>
Designated Funds:-			
Marks Tey	-	5,731	5,731
Local Preachers\			
Worship Leaders	-	369	369
Development	-	30,112	30,112
Manse Repairs\Maintenance	-	24,268	24,268
Quinquennial Inspections	-	1,135	1,135
Ministers Relocation	<u>-</u>	<u>9,329</u>	<u>9,329</u>
	<u>-</u>	<u>70,944</u>	<u>70,944</u>
Restricted Funds:-			
Development – Tollgate	-	9,527	9,527
Benevolent	-	1,018	1,018
Marks Tey – Burial Grounds	<u>-</u>	<u>1,558</u>	<u>1,558</u>
	<u>-</u>	<u>12,103</u>	<u>12,103</u>
TOTAL FUNDS	<u>1,846,348</u>	<u>458,354</u>	<u>2,304,702</u>

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

24. 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 £2,469.

25 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.

26. 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 2022 have been prepared from the records of the Circuit and that they include all funds under the control of the Circuit meeting.

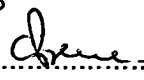
Signature of Treasurer  Date March 27 2023

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 2022 were presented to the Circuit meeting held on March 27 2023

Signature of the Chair of the meeting 

Name of the Chair of the meeting: Chris. Preece, Circuit Superintendent Date March 27 2023

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 2022 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 **03-04-2023**

Colchester Methodist Circuit**Circuit Managing Trustees at 31 August 2022**

Ministers	Rev'd Alan Jenkins Rev'd Ken Chalmers Rev'd Joe Adams	
Supernumerary Ministers	Rev'd Paul Howes	
Circuit Stewards	Mr Tony Trevers (Admin.) Mr Geoffrey Wilcox (Finance) Mrs Sheila Dempsey Mrs Avril Lankester Mr Edward Pentney (Property)	
Circuit Local Preachers Representative	Mr Ron Firmin	
Circuit Safeguarding Co-ordinator	Dr Geoff Casey	
Representatives appointed by Circuit Churches:-		
The Ark, Highwoods	Mrs Pat Baker Miss Rachel van Staveren Mrs Judith Winward	Rep Finance Steward
Castle	Vacancy Mr Bob Finch Mr Richard Pettit Mr Chris Pratt	Rep 1 Rep 2 Finance Steward
Lexden	Mr Neil Austin Mr Alan Beesley Mrs Vivian Wilcox	Rep Steward Rep
Mersea Island	Mr John Brook Rev'd David Moody Mrs Joan Moody	Finance Rep Steward
The Well, Mile End	Miss Tracey Chapman Mrs Judith Fletcher Mr John Jones Mrs Di Thompson	Finance Rep WB Rep Steward
Wimpole Road	Mr Peter Broom Mrs Margaret Club Mrs Christine Firmin Mr Andrew Topple	Rep 1 Rep 2 Steward Rep
Wivenhoe	Mr Phil Bingham Mr Brian Dack Mrs Betty Rampling	Steward Rep Rep