



THE METHODIST CHURCH

COLCHESTER METHODIST CIRCUIT

Registered Charity number 1138024

TRUSTEES REPORT and ANNUAL ACCOUNTS

For the year ended 31 August 2023

(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 2023

Chair of Trustees Report September 2022 – August 2023

Reflecting on the year ending August 2023, one of the main themes of the year has been the navigation of transitions. This has been evident in a number of ways and has been achieved through the skills and commitment shown by many, the majority of whom are volunteers, and to whom the Circuit is incredibly grateful.

Following two colleagues 'sitting down' (retiring) in July 2022, the previous ministerial team of three people has been reduced to two. A new Superintendent minister was appointed from September 2022 and the remaining presbyter entered stationing to move Circuits with effect from September 2023. These changes necessitated alterations in the sections overseen by individual ministers and a new approach to the rhythm of working across the Circuit. The care and support of the Circuit Leadership Team, including the gifts and skills of two new Circuit Stewards, and church members have enabled these changes to be navigated smoothly and effectively.

From September 2023 the Circuit is privileged to have a probationer minister join the team who will be entering their first appointment. All appropriate arrangements have been made to ensure the support that is needed has been put into place. We now look forward to a time of stability within the ministerial team.

We are very grateful to our Circuit Steward (Finance) for all the work he has done over many years. Having indicated that he wished to retire, he continued in the role for a further year to enable a transition to be made to a new model for managing the finances. The Circuit has now engaged the services of a paid Circuit Finance Officer. Having offered the possibility to a neighbouring Circuit to join forces, a single appointment was made for the two Circuits. Colchester Methodist Circuit oversees the management of the role. To date, this is working very well.

Tollgate Methodist Community, which was acting as a class of Lexden Methodist Church made the decision during the year to cease as a formal entity. The work that had been done ecumenically in the Stanway area was noted and marked. The group had not formally met since the pandemic and felt it was right this work was continued in a different way. For many years, the Circuit has had a Social Issues Group which has also decided the work they have done could be explored in a different way. This group's work was noted in the June Circuit Meeting. With both Tollgate Methodist Community and the Social Issues Group, grateful thanks are offered to those who have faithfully completed this work over a number of years.

Work continues to develop the cohesion of the Circuit through its communication and ways of working alongside each other. The Circuit website has been redeveloped and refreshed with a greater number of people now able to edit. We now have a Circuit Diary on the website which is maintained by the Circuit Administrator with inputs from all of our churches. A Circuit newsletter has been introduced giving the churches an opportunity, on a quarterly basis, to share their news with others and a quarterly face-to-face evening Circuit Communion service has recently been introduced.

These are alongside the Circuit Zoom Bible studies and evening Zoom services which continue to attract an average of about 25 people per week. The introduction of small group working has been successful and includes groups for Communications, Equality, Diversity and Inclusion, GDPR, Farewell and Welcome Service Group planning and a standing group for Finance. Other small groups are being considered for the future including succession planning.

The Circuit has been overseeing several property transactions over the year. This has included the sale of properties, some of which have been more protracted than would have been liked. It is anticipated these will all be completed early in the 2023-24 Connexional year.

The churches have continued to focus on what it means to serve the communities in which they are placed following on from the pandemic. Five out of the seven churches engaged with the Warm Space initiative to provide a warm and welcoming space for people who may be struggling through the cost-of-living crisis. These churches were also very grateful for the grants received through the Bedfordshire, Essex, and Hertfordshire Methodist District to help support this work. As a result, some of the churches have continued to open and new coffee mornings and places of welcome have emerged through it. All the Circuit churches have been asked to consider their mission plans as they seek to share God's love with the community. There is ongoing work which began with a SPA (Serving the Present Age?) day led by the BEH District. The consideration of mission planning for the Circuit will now be undertaken.

During the year, several churches have continued to think about their care for creation and the environment. Work has been undertaken in a number of churches to raise awareness of the climate crisis and also to find ways of incorporating cultural change into the way we live as Christ's disciples. Some churches have achieved the Bronze Eco Church award as part of this work.

Much work goes on behind the scenes to ensure necessary checks and training are put into place. The Circuit Safeguarding training team has delivered a number of sessions for Foundation training over the year and facilitated the opportunity for people from the neighbouring Circuit to attend. The EDI training that is required has been approached innovatively, with a team from the Circuit exploring and trialling face-to-face training opportunities to enhance the online options provided by the Connexion. We are very grateful to those who have led the training and pleased that those who have needed to complete the training have been able to do so.

Membership figures at 1st November 2022 stood at 290. This represents a reduction from 330 at the same time of the previous year. Several churches have reviewed their membership figures following on from the pandemic. Since 1st November 2022, more than half of the churches in the Circuit have received into membership people who had not previously been members of the Methodist Church.

The Circuit is very grateful to the Local Preachers and Worship Leaders who support the leading of worship on a weekly basis. During this year, the training for two Worship Leaders has been completed and a Local Preacher 'on trial' is coming towards the end of her studies. The changes within the ministerial team have inevitably led to more services needing to be covered overall.

The Circuit remains indebted to the many volunteers who work tirelessly within Circuit and Church roles. The talent and commitment of so many cannot be underestimated. Their continued service is a testament to the deep faith that is found within the Circuit. There is a great amount of care, support, and willingness to come and work together which is tremendous to see. There is

considerable wisdom demonstrated by the members of the churches and a desire to be witnesses to Christ in all things.

We are thankful, too, for the ongoing and supportive ministry of the supernumerary ministers in the Circuit. The members of the Circuit Meeting continue to exercise their responsibility diligently as the Managing Trustees through the regular meetings held, sometimes by Zoom and at other times face-to-face. We are grateful for the work the Circuit Meeting members undertake.

Looking ahead to the coming year, the Circuit will be focusing on mission planning at a Circuit level, supporting the probationer minister and further consolidating and developing team working. It is hoped churches will want to build on the work they have undertaken through the Warm Spaces initiative and further develop community outreach. It is anticipated the Circuit is now entering a period of stability in staffing and can begin to focus on areas of succession planning to enable everyone to be supported within, and across, the churches and Circuit. We look forward to God's leading through the Holy Spirit as we enter this next year.

Rev. Chris Preece
Superintendent Minister
31st August 2023

The Circuit Stewards and Circuit Leadership Team thank our new Superintendent Minister, Rev Chris Preece, for her spiritual, pastoral, and administrative leadership during the past twelve months. Her sensitive and caring approach has ensured the hurdles that had to be negotiated were navigated without causing hurt or misunderstanding.

Tony Trevers
Senior Circuit Steward
31st August 2023

Colchester Methodist Circuit
TRUSTEES' ANNUAL REPORT
For the year ended 31 August 2023

Introduction

The Trustees of the Colchester Methodist Circuit are pleased to present their Annual Report and Accounts for the Methodist year ended 31 August 2023. This has been a year of consolidation after the departure of 2 ministers together with the appointment of a new Superintendent minister and Circuit churches continue the process of recovery after the Covid- 19 Coronavirus pandemic. 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 continued support in this process of moving forward.

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 2023 the General Fund, before fund transfers, achieved a net operating profit of £8,067 (2022 net loss £8,213). After transfers to Designated Funds there was a total General Fund loss of £4,144 (2022 net loss of £27,046) compared to the anticipated Budget loss for the year of £15,268. The improvement arose as a result of reduced level of transfers to Designated Funds combined with lower than anticipated Admin support costs due to delayed implementation of revised Circuit Financial management arrangements, further assisted by higher level of deposit interest received and a bequest of £2,500.

During the year higher expenditure, compared to 2021-22, was incurred on property repair costs mainly associated with maintenance of retained burial grounds and utility costs continuing to be incurred on the vacant West Bergholt property while sale negotiations were ongoing plus the vacant manse at New Town Road pending a decision being made concerning its future use.

During the year Designated Fund account balances relating to Quinquennial costs and the Local Preachers\Worship Leaders Fund were reduced to zero with the balances at 1 September 2022 being transferred to General Funds. Expenses relating to these properties in 2022-23 were dealt with via the General Fund.

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 2023 (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 2022. At end August 2023 the Circuit had 2 (2022 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 £35,376 which represented a small increase of £452 compared to 2022-23.

The Repairs and maintenance fund is being replenished annually from the General Fund in line with centrally suggested increase levels, whilst having regard to avoidance in building up excess balances given the current state of repair of manse properties and likely future needs. 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 2023 an agreed sale price sale had been agreed for the Manse Property at New Town road with exchange of contracts imminent. The church premises and grounds at West Bergholt, which were no longer in use, remained under offer of sale, with agreed transaction prices, and contract exchange expected shortly. Both sales proceeded to completion in September 2023

Fund balances

As at 31 August 2023 the total net current assets of the Circuit were £429,559, but this includes £350,575 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 £78,984 provides approximately 5 months cover for projected Circuit total expenditure in 2023-24.

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 2023-24

The Circuit Budget has been prepared on the basis that there would continue to be 2 full time ordained staff receiving anticipated cost of living stipend increase at September 2023 combined with having part time Circuit Administrator and Circuit Finance Officer in post for a full year plus other estimated increases in costs. Due to the continuing 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 2023 -24 As a result the assessments were agreed to be the 2022-23 level but increased to £155,620 in total, representing an overall increase of 6%.

The resulting Budget shortfall of £7,506 together with any actual variations from the Budget will need to be met from the Circuit General Reserve.

The year 2023-24 will continue to be a year of consolidation alongside the development of plans for increased witness and Mission within Colchester by the Circuit and its constituent churches.

Colchester Methodist Circuit
Trustees Annual Report for the year ended 31 August 2023 (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

3b Cambridge Road
Colchester, Essex
CO3 3NS

Circuit Ministers and officers in 2022-23

Circuit Ministers	Rev'd C Preece (Circuit Superintendent) Rev'd J N Adams
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Circuit Stewards	Mr T Trevers (Senior) Mr G Wilcox (Finance) Mr E Pentney (Property) Mrs S Crafer Mrs J Winward
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Mr G Wilcox acted as the principal officer overseeing the day- to- day financial management and accounting for the Circuit during the Connexional year ending August 2023.

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 2023 appears as Appendix A to this report.

Professional Advisers to the Circuit

Independent Examiner	Mr V P Chandler FCA FCCA, of Moore Green Chartered Accountants 22 Friars Street Sudbury, Suffolk CO10 2AA
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Colchester Methodist Circuit
Trustees Annual Report for the year ended 31 August 2023 (cont'd)

Professional Advisers to the Circuit (cont'd)

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

Property Boydens, Estate Agents
Aston House, 57-59 Crouch Street
Colchester, CO3 3EY

Ablewhite Surveyors Limited
4 & 5 The Cedars
Apex 12
Old Ipswich Road
Colchester
CO7 7QR

TMA Professional Services LLP
The Gatehouse, 116-118 Rainsford Road
Chelmsford, CM1 2QL

Colchester Methodist Circuit
Trustees Annual Report for the year ended 31 August 2023 (cont'd)

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.

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.

Colchester Methodist Circuit

Trustees Annual Report for the year ended 31 August 2023 (cont'd)

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 to June 2023), Mersea Island, The Well (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.
- 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

Colchester Methodist Circuit
Trustees Annual Report for the year ended 31 August 2023 (cont'd)

Safeguarding (cont'd)

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 continuing 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

Miss Rachel van Staveren

Chair of Circuit Finance Group

Date

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

	Notes to the accounts	General Fund (Unrestricted) £	Circuit Model Trust (Unrestricted) £	Designated Funds (unrestricted) £	Restricted Funds £	Endowment Funds £	Total 2022-23 £	Total 2021-22
Income								
1 Donations and legacies	4	2,500					2,500	2,100
2 Income from monetary investments	5	2,425	10,957		388		13,770	2,076
3 Income from investment properties	6			20,457			20,457	6,000
4 Assessments on Churches	7	146,944					146,944	154,692
5 Capital Receipts	8						0	0
6 Grants received	9						0	8,778
7a Other charitable income	10						0	0
7b Other income	11	875			200		1,075	2,707
8 Total income		152,744	10,957	20,457	588	-	184,746	176,353
Expenditure								
9 Grants and donations	12	335					335	3,150
10 Salaries and associated costs	13	88,197					88,197	122,928
11 Property maintenance	14	7,399		29,678			37,077	40,264
12 Connexional assessment	15	28,270					28,270	27,845
13 District Assessment & Levy	15	7,106	18,160				25,266	16,046
14 Depreciation	3						0	0
15 Office expenses	16	10,525					10,525	9,129
16 Other outgoings	17	2,845	1,022	19,999	5		23,871	7,184
17 Total charitable expenditure		144,677	19,182	49,677	5	0	213,541	226,546
18 Gains/(losses) on monetary investments							0	0
19 Gains/(losses) on investment properties								5,324
20 Net income/(expenditure)		8,067	-8,225	-29,220	583	0	-28,795	-44,869
21 Transfers between funds	22	- 12,211		11,961	250		0	0
22 Other (losses)- property reval'n	8,18	- 83,942					-83,942	0
23 Net movement in funds		-88,086	-8,225	-17,259	833	0	-112,737	-44,869
24 Total funds brought forward		1,862,855	358,800	70,944	12,103		2,304,702	2,349,571
25 Total funds carried forward		1,774,769	350,575	53,685	12,936	-	2,191,965	2,304,702

[illegible]

Colchester Methodist Circuit
Notes to the Accounts for the year ended 31 August 2023

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 Methodist 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 values of the New Town Road Manse and West Bergholt premises are 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 in use 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 at New Town Road and West Bergholt are included at Market Value. Other Circuit 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 plus bequests 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 2023, to the Methodist Church centrally being the value of monthly Ministerial Stipend due to the Circuit Ministers on September 1 2023 and payable in advance by Circuits

Creditors

Creditors relate to unpaid invoiced expenditure at August 31 2023 plus provisions for amounts likely to become payable associated with year to August 31 2023 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 2023 includes the corresponding amounts from the 2021-22 Accounts in these accounts for comparison purposes.

Values

All data is stated in "rounded" £ sterling.

4. Donations and Legacies

The General Fund received a bequest of £2,500 via the estate of a deceased Circuit Member. This is deposited with Trustees for Methodist Church Purposes (TMCP) and has no restrictions on its use.

5. Income from Monetary Investments

In all cases this has been derived from funds deposited with the Central Finance Board (CFB) and TMCP.

6. Income from Investment Properties

	<u>2023</u>	<u>2022</u>
<u>General Fund</u>	Nil	Nil
<u>Designated Fund – Marks Tey</u>		
Rental of church premises & grounds	20,457	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 assessments 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

As detailed under Note 18 the Manse property at New Town Road and the Church property at West Bergholt were in the process of being sold shortly after the year end. An adjustment for Market value at August 2023 is included in the Accounts.

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

9. Grants Received

No District or Connexional Grants were received by the Circuit during 2022-23.

10. Other Charitable Income

There was no Other Charitable Income to be disclosed for 2022-23.

11. Other Income

	<u>2023</u>	<u>2022</u>
<u>General Fund</u>		
Tendring Circuit Contributions		
to costs of shared Finance Officer	715	Nil
to costs of shared Manse property	Nil	1,148
Licence Fee re Bus Shelter area	129	Nil
Burial grounds fees	<u>31</u>	<u>Nil</u>
	<u>875</u>	<u>1,148</u>
 <u>Designated Funds</u>		
Licence Fee re Bus shelter area	Nil	129
Sale of Furniture – redundant Churches	Nil	630
Burial grounds fees	Nil	600
Compensation	Nil	200
 Total	<u>Nil</u>	<u>1,559</u>
 <u>Restricted Funds</u>		
Allocation of part energy cost rebate for vacant manse	<u>200</u>	<u>Nil</u>

12. Grants & Donations

In the year to August 31 2023 the following donations were paid from the Circuit General Fund

Boxted Methodist Silver Band	100
The Ark Methodist Church re Computer	235
 Total	<u>335</u>

13. Salaries and Associated Costs

In the Connexional year 2022-23 the Circuit had 2 full time Presbyters (August 2022 – 3). 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 which 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>2023</u>	<u>2022</u>
Stipends	56,549	80,055
Pension Contributions	14,487	22,840
NI & Apprenticeship Levy	5,750	8,045
Computer Grant	352	513
Travel	3,563	1,744
'Phone	1,513	1,846
Community Charge	5,296	6,361
Water charges	687	1,524
Total	<u>88,197</u>	<u>122,928</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 costs of Quinquennial inspections.

The cost of repair and maintenance for the Circuit Manses and retained burial grounds, where Church properties have been sold, 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.

In addition, Designated Fund property maintenance costs relate to insurance costs and property costs for the Marks Tey churches premises.

15. Connexional and District Assessments

These allocated 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>2023</u>	<u>2022</u>
Stationery, Printing, Postage	471	853
Computer costs	195	208
Circuit Admin. Assistance	8,455	6,711
Mobile 'phone cost Administrator	194	239
Independent Examination cost	1,210	1,075
 Total	 <u>10,525</u>	 <u>9,086</u>

17. Other Outgoings

General Fund

	<u>2023</u>	<u>2022</u>
Supply Preacher Fees	1,125	940
Other travel costs	700	619
General Insurance	190	162
Legal & Professional fees	424	(240)
Advertising	329	(222)
Equipment	Nil	134
Sundry expenses	77	236
 Total	 <u>2,845</u>	 <u>1,629</u>

Model Trust Fund

	<u>2023</u>	<u>2022</u>
TMCP Administration Fee	<u>1,022</u>	<u>654</u>

Designated Funds

	<u>2023</u>	<u>2022</u>
Quinquennial inspection costs	Nil	2,880
Presbyter re-location costs	2,716	2,021
Legal & Professional Fees	17,283	Nil
 Total	 <u>19,999</u>	 <u>4,901</u>

Restricted funds

	<u>2023</u>	<u>2022</u>
TMCP Administration Fee	<u>5</u>	<u>Nil</u>

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

18. Tangible Fixed Assets

At 31 August 2023 the Colchester Circuit possessed 3 Manses and the church at West Bergholt which is considered to be part of Operating assets at present, while that 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 are continuing 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.

The sale of the Manse at New Town Road and the Church property at West Bergholt (except for the retained areas of newer burial ground and the bus shelter footprint) will be completed in September 2023. It has been assumed that the net sale proceeds, after sale costs and the compulsory Connexional Levy amount, can be considered to represent the Market Value of these properties at 31 August 2023. This has resulted in the negative valuation adjustment of £83,942 indicated at Line 22 on the SOFA.

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 2022	403,600	1,072,500	121,288	1,597,388
Market Value adjustment	(27,640)	(73,748)	17,446	(83,942)
Balance at 31 Aug 2023	<u>375,960</u>	<u>998,752</u>	<u>138,734</u>	<u>1,513,446</u>

Investment Properties

	<u>Land</u>		Church <u>Buildings</u>	<u>Total</u>
Balance at 1 Sept 2022	62,250	-	186,710	248,960
Balance at 31 Aug 2023	<u>62,250</u>		<u>186,710</u>	<u>248,960</u>
Total all Properties	<u>438,210</u>	<u>998,752</u>	<u>325,444</u>	<u>1,762,406</u>

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

19. Debtors and Prepayments

	<u>General Fund</u>		<u>Designated Funds</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Prepaid Stipends	6,902	6,424	-	-
Property Surveys & Legal Fees paid in advance	22,672	8,539	-	-
Insurance refunds re property sales	690	-	-	-
Arrears of rent due on New Lease Agreement	-	-	14,457	-
Other Debtors and Prepayments	<u>33</u>	<u>-</u>	<u>-</u>	<u>33</u>
Total	<u>30,297</u>	<u>14,963</u>	<u>14,457</u>	<u>33</u>

20. Cash at Bank and in hand

All Balances at Bank relate to the General Fund and Designated Funds. Other 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 or to bequests relating to the General Fund or Designated Funds.

21. Creditors and Accruals – due in under 1 year

	<u>General Fund</u>		<u>Designated Funds</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Trade creditors	471	760	2,392	1,344
Other Creditors and Accruals	205	1,180	3,220	934
Independent Examination Fee	1,200	1,100	-	-
Total	<u>1,876</u>	<u>3,040</u>	<u>5,612</u>	<u>2,278</u>

22. Funds

Unrestricted General Fund

This is used at the discretionary 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 2023 predominantly represented the net proceeds from the sale of the properties at Boxted Methodist Church and 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 2022-23 are set out below.

Restricted Funds

These comprise the Mission Fund (formerly the Development 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 '22</u>	<u>Income</u>	<u>Payments</u>	<u>Transfers</u>	Balance <u>31 Aug '23</u>
General Fund:-					
Property Reserves	2,147,743	10,957	(103,124)	-	2,055,576
Current Reserves	<u>73,912</u>	<u>152,744</u>	<u>(144,677)</u>	<u>(12,211)</u>	<u>69,768</u>
	<u>2,221,655</u>	<u>163,701</u>	<u>(247,801)</u>	<u>(12,211)</u>	<u>2,125,344</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 '22</u>	<u>Income</u>	<u>Payments</u>	<u>Transfers</u>	Balance <u>31 Aug '23</u>
Marks Tey	5,731	20,457	(23,398)	-	2,790
Local Preachers\					
Worship Leaders	369	-	-	(369)	Nil
Mission	30,112	-	-	-	30,112
Repairs & Maint	24,268	-	(23,563)	12,465	13,170
Quinquennials	1,135	-	-	(1,135)	Nil
Ministers Reloc'n	<u>9,329</u>	<u>-</u>	<u>(2,716)</u>	<u>1,000</u>	<u>7,613</u>
Total	<u>70,944</u>	<u>20,457</u>	<u>(49,677)</u>	<u>11,961</u>	<u>53,685</u>

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

22 Funds (Cont'd)

Restricted Funds:-

Development –

Tollgate	9,527	338	-	-	9,865
Benevolent	1,018	200	-	250	1,468
Marks Tey –					
Burial Grounds	<u>1,558</u>	<u>50</u>	<u>(5)</u>	<u>-</u>	<u>1,603</u>
Total	<u>12,103</u>	<u>588</u>	<u>(5)</u>	<u>250</u>	<u>12,936</u>

TOTAL FUNDS	<u>2,304,702</u>	<u>184,746</u>	<u>(297,483)</u>	<u>NIL</u>	<u>2,191,965</u>
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23. Analysis of net assets between funds

	Fixed <u>Assets</u>	Net Current <u>Assets</u>	<u>Total</u>
General Fund:-			
Property Reserves	1,705,550	350,026	2,055,576
Current Reserves	<u>56,856</u>	<u>12,912</u>	<u>69,768</u>
	<u>1,762,406</u>	<u>362,938</u>	<u>2,125,344</u>
Designated Funds:-			
Marks Tey	-	2,790	2,790
Mission	-	30,112	30,112
Manse Repairs\Maintenance	-	13,170	13,170
Ministers Relocation	<u>-</u>	<u>7,613</u>	<u>7,613</u>
	<u>-</u>	<u>53,685</u>	<u>53,685</u>
Restricted Funds:-			
Development – Tollgate	-	9,865	9,865
Benevolent	-	1,468	1,468
Marks Tey – Burial Grounds	<u>-</u>	<u>1,603</u>	<u>1,603</u>
	<u>-</u>	<u>12,936</u>	<u>12,936</u>
TOTAL FUNDS	<u>1,762,406</u>	<u>429,559</u>	<u>2,191,965</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 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 £789.

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.

Declarations and Scrutiny

I confirm that these accruals-based accounts for the year to 31 August 2023 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

Name and address of Treasurer 2022-2023 Geoffrey Wilcox

2 Ladell Close, Colchester, Essex
CO3 9XT

Presentation to the Circuit meeting

I confirm that the annual report and accounts for the year ended 31 August 2023 were presented to the Circuit meeting held on 5th December 2023

Signature of the Chair of the meeting:

Name of the Chair of the meeting: Rev, C Preece

Date

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 2023 set out on pages 11 to 22. 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: FCA, FCCA

Name of firm: Moore Green, Chartered Accountants

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

Date:

Colchester Methodist Circuit

Managing Trustees

September 2022 to August 2023 inclusive

Ministers	Rev Chris Preece Rev Joe Adams (left Circuit on 16 th July 2023)
Supernumerary Ministers	Rev Paul Howes
Circuit Stewards	Mrs Sally Crafer Mr Edward Pentney (Property) Mr Tony Trevers (Senior Steward) Mr Geoffrey Wilcox (Finance) Mrs Judith Winward
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
Castle	Mr Clive Carrington Mr Bob Finch Mr Richard Pettit Mr Chris Pratt
Lexden	Mr Neil Austin Mr Alan Beesley Mrs Vivian Wilcox
Mersea Island	Mr John Brook Rev David Moody Mrs Joan Moody
The Well, Mile End	Miss Tracey Chapman Mrs Judith Fletcher Mr John Jones Mrs Di Thompson
Wimpole Road	Mr Peter Broom Mrs Margaret Club Mrs Christine Firmin Mr Andrew Topple
Wivenhoe	Mr Phil Bingham Mr Brian Dack Mrs Betty Rampling