

METHODIST CHURCH COLCHESTER CIRCUIT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2024



METHODIST CHURCH COLCHESTER CIRCUIT

FINANCIAL STATEMENTS AND TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2024

Registered Charity Number 1138024

Beds, Essex & Herts District - Circuit Number 34/6

METHODIST CHURCH COLCHESTER CIRCUIT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2024

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Chair of Trustees Report

This last year has been one of consolidation within the Circuit as it has continued to reflect on its mission and ministry. Following a period of substantial change within the Circuit, the past year has been one of greater stability.

In September 2023 we welcomed a probationer presbyter who has settled in excellently with the churches in her section and who regularly contributes to the evening Zoom services. Our new Finance Officer has worked hard with the newly formed Finance Group to ensure that all aspects of the Finances are covered effectively and efficiently. This arrangement is working extremely well for the Circuit. During the year, the Finance Officer felt it was more appropriate not to work jointly across two Circuits and a new agreement was reached whereby he now has a separate working arrangement with Colchester Circuit.

The care and expertise of the Circuit Stewards team and Circuit Leadership Team continues to be of huge support to the ministerial team and the Circuit as a whole. The range of gifts and skills demonstrated by the group is extremely wide and enables far reaching conversations to be had. Having stability within the team over this past year has been extremely valuable.

We remain grateful for the support of the Supernumerary Presbyters within the Circuit who offer their time, wisdom and skills. From a Circuit perspective, we are very sorry that one of our Supernumerary Presbyters is moving to another Circuit for family reasons. We wish him well and are very grateful that he will continue to support the Circuit throughout the 2024-25 year.

It is good to see that over the past year more people from within the Circuit have taken on roles within the Bedfordshire, Essex and Hertfordshire Methodist District. This is undoubtedly beneficial to the District, and also gives a wider context, dimension and understanding to the work of the Circuit. The Circuit now has representatives within the District in relation to the areas of manses, grants, safeguarding, probationers and the District Policy Committee.

The Circuit continues to develop cohesion through the various communication channels including sharing by email through the Email Hub Co-ordinators, newsletter and the website. The Circuit Administrator plays a key role in this work who works with great efficiency and highly effectively. This work has been developed further through the past year with a Circuit Christmas Celebration sharing in entertainment and food. A Summer Celebration then followed by meeting in a member's garden, sharing in fellowship, a picnic and an outdoor service. Both events were well represented from across the Circuit and very well received.

Zoom continues to be a useful platform for the Circuit. The evening service is held three times a month and the Bible Studies take place most weeks. These both attract an average of about 30 people each week. The evening service tends to be quite reflective in nature and, through the technological skills of the team preparing the Powerpoint presentations, a variety of approaches can be taken. The Bible Studies have covered both themes and specific books of the Bible.

The churches continue to work to serve their communities throughout the week. Several churches have continued to offer Warm Spaces to the local community and, in some cases, this has developed into a regular ongoing event throughout the year offering a space for people in the local community to meet. The churches continue to reflect on their mission and all churches have engaged in thinking about how they reach out to the communities and contexts they serve. Some have finalised mission plans and others are continuing to work towards this.

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The Circuit is indebted to the team of Local Preachers and Worship Leaders who support the leading of worship on a weekly basis. During this past year, two Local Preachers have been admitted on to 'full plan' including one who studied through the Armed Forces Local Preacher training pathway. He was the first person in the Connexion to complete this training pathway. Two worship leaders have also completed their training. A third Worship Leader in training is awaiting the outcome of the moderation following completion of the Connexional course. Three members of the Circuit were privileged to be involved in the Connexional video to support Vocations Sunday promoting the ministries of local preachers and worship leaders.

Membership numbers across the Circuit on 1 November 2023 stood at 280. This represents a slight drop from 290 the previous year. Several of the churches reported receiving into membership people who had not previously been members of the Methodist Church.

Small group working continues to develop well. Several of these groups deliberately work on a time limited piece of work which, once completed, means the group no longer needs to meet. The Communications group and Mission Planning group are such examples, and we are very grateful for the work that has been completed in these areas. The Equality, Diversity and Inclusion and GDPR groups continue to work on their respective areas as needed.

New groups in the past year have included a Worship Development Group as part of the statutory support for our probationer, a Succession Planning Group to look at succession planning for key Circuit roles and the Lay Worker Feasibility Group which started its work in August 2024. A small group met to discuss and recommend a Circuit Grants Policy to help in the strategic management of resources for churches. This work was completed, and a Circuit Grants Policy adopted by the Circuit Meeting in March 2024. The Circuit has a Creation Care and Climate Justice group which meet as an informal support group for the churches. The Circuit has registered for the A Rocha Eco Circuit scheme and a further church has registered for the Eco Church scheme.

It has been a quieter year on the property front. After a great deal of negotiation, the sale of West Bergholt Methodist Church completed in September 2023 and the negotiations for the lease of Marks Tey Methodist Church to Achieve Together were finally concluded in November 2023. The manse at New Town Road sold quickly and this completed in September 2023. The Circuit is incredibly grateful to the Circuit Property Steward who has overseen this area of work.

Following an appropriate period of reflection and conversation, the Circuit has formulated, consulted and adopted a Mission Plan which clearly outlines the strategic priorities. These include a focus on Worship, Learning and Caring, Service and Evangelism which are in line with the 'Our Calling' statement of the Connexion. A review document will provide the basis of monitoring progress to the plan as the Circuit seeks to share the message of Jesus to the wider community.

The Circuit is hugely thankful to the many volunteers who work so hard within the churches and the Circuit. There is a huge range of gifts, skills and talents and the commitment which is shown by so many cannot be underestimated. This is a clear demonstration of the depth of faith which is present throughout the Circuit. There is a great sense of care which is backed up by a willingness to come together and support one another. This makes such a huge difference and is wonderful to see. It is a clear witness to the love of Christ in the way this is demonstrated. The members of the Circuit Meeting continue to work together conscientiously to exercise their responsibilities through the regular meetings held. We are grateful for all their work.

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Over the coming year, the Circuit will be continuing their work in supporting our probationer minister and a focus on the implementation of the Mission Plan. The Circuit has agreed to a Circuit wide service series based on the book of Jonah in February 2025. The Circuit will continue to be available to support churches in their setting and implementation of mission plans as appropriate. It is hoped that churches will continue to build on the work they have already undertaken and seek to reach out into the local communities as they seek to share the love of Christ in the communities they serve. We look forward to sharing in God's work in Colchester, through the leading of the Holy Spirit, in the coming year.

Rev Chris Preece
Superintendent Minister
2nd September 2024

Treasurers' Report

As this year has seen the Circuit Finance Group bed in, we have discerned ways of working suitable to the Circuit and personnel. This has included discussions of financial controls and mechanisms of operation, with a Terms of Reference document created to embody this.

The material transactions this year are two property transactions that completed in September 2023, namely the Manse Property at New Town Road and the former church premises at West Bergholt. The income and expense impact of these transactions was recorded in prior year. This year we record the balance sheet capital impact, a move out of Property into Investments. Circuit Unrestricted Circuit Model Trust Fund (CMTF) increased by £513,300 (Trustees for Methodist Church Purposes (TMCP) Investment receipt, and General Unrestricted Fund decreased equally (property outgoing).

Income Trends

All our churches were able to and paid assessment for the year in line as per budget and we would like to record here our deep gratitude for this support. Investments returned above budget levels of income as rates were elevated on deposit funds during the year. Marks Tey (rental) income is in line with the contract, but above the original budget.

Expenditure trends

The stipend levels for our 2 full time Ministers are set by Connexion centrally, we are so grateful for their guidance and also the lay services of our part time Administrator and Finance Officer. The District element of assessment was down on prior year and the District Levy was lower than expected. This because we received property proceeds later, so they were excluded from the Levy calculation. Property maintenance was under budget overall this year, £3,900 of spend related to Marks Tey work.

Fund balances

We are grateful God has provided for us again this year and enabled His work in Colchester to continue. Note 19 to the accounts shows the full analysis of funds movements through the year.

General Unrestricted funds total £1,341,880 at year end and CMTF unrestricted ended the year at £827,525. A General Unrestricted deficit for the year of £491,254 is more than offset by the surplus in CMTF of £534,356; driven by two large property sales, as detailed above and at accounts Note 7. The Sylvia Bristowe unrestricted TMCP trust grew slightly this year and ended at £2,682.

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Our designated funds for mission and Ministerial relocation have not moved during the year, whilst Designated Property repair fund was topped up to £15,000, being £5,000 for each of: 2 manses and one let property.

Our Restricted Funds for Marks Tey (burial ground upkeep) is a TMCP trust, trust which grew slightly this year and ended at £1,685. The Restricted Benevolent Fund received an allocation of investment income, ending the year at £1,498. Equally, the Restricted Tollgate Development Fund received an allocation of investment income, ending the year at £10,398.

Finance Plans for 2024/25

The 2024/25 budget has been agreed and sustains current ministerial / lay staffing levels. Recently, Methodist Connexion informed a pension contribution rate decrease (Ministerial pensions) down to 20%, below that budgeted. The budget maintains assessment at roughly the level of the current year, one church having a minor increase. The budget contains a small deficit at circuit level, against reserves: £14,000, reduced to £10,000 post pension decrease (equivalent to 4% of total expenditure).

The year 2024-25 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 Methodist churches. The Circuit Mission Plan (as explained above) will clarify the picture of how we best employ reserves for God's work in and around Colchester. The Circuit envisages supporting Methodist church initiatives; such matters will continue under Circuit scrutiny, potentially involving material spending.

Reserves Policy

The Reserves Policy ordinarily provides for the Circuit to hold a sum equivalent to 6 months' average expenditure, equating to £88,650 for this year. In normal times this should be sufficient to meet any unforeseen item of major expenditure (for example on manses).

Current additional reserves are being held over this amount, whilst a policy is formulated to support mission grants to churches, and in support of other church projects, as described above.

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Miss R van Staveren
Chair of Circuit Finance Group
22nd October 2024

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Basis of preparation and legal framework

The financial statements have been prepared in accordance with the *Accounting and Reporting by Charities: Statement of Recommended Practice (SORP)* applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective from 1 January 2015) – (Charities SORP (FRS 102)).

Full name of charity	Methodist Church Colchester Circuit
Registration Charity Number	1138024
Date of registration	10 September 2010
Correspondence Address:	C/O Castle Methodist Church, Maidenburgh Street, Colchester, CO1 1TT

Circuit Ministers and officers -

Circuit Ministers	Rev'd C Preece (Circuit Superintendent) Rev'd H Chun
Circuit Stewards	Mr T Trevers (Senior) Mr E Pentney (Property) Mrs S Crafer Mrs J Winward
Circuit Finance Trustee:	Miss R van Staveren

The self-employed Finance Officer (Alistair Jenkins) and the Finance Trustee above 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 2024 appears as Appendix A to this report.

Independent Examiner	Mr V P Chandler FCA FCCA, of Moore Green Chartered Accountants 22 Friars Street Sudbury, Suffolk CO10 2AA
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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 the Methodist Church Act (1976). The objects are in line with those for the overall Methodist Church.

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 (CLT).

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Trustee Training

A range of guidance produced by the Methodist Connexion to support effective running of the circuit, especially the leaflet 'The Role of a Trustee in The Methodist Church' is given to all 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 District and is also accountable to the Methodist Conference. The following Methodist Churches are members of the circuit – The Ark Highwoods, Castle, Lexden, Mersea Island, The Well, Wimpole Road and Wivenhoe.

Risk Management

The major risks have been identified and recorded by the Circuit Administration and the Circuit Treasurer with professional advice taken as required. There is a regular annual review process undertaken and recorded.

Income and expenditure are being monitored in total and is compared with the approved annual budget on a monthly basis to detect trends as part of the risk management process.

Safeguarding

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

Methodist Connexional practice outlines commitment to the following principles:

- The care and nurture of, and respectful pastoral ministry with all children, young people and adults
- The safeguarding and protection of all children, young people and adults when they are vulnerable
- The establishing of safe, caring communities which provide a loving environment where there is informed vigilance as to the dangers of abuse
- We will carefully select and train all those with any responsibility within the Church, in line with Safer Recruitment principles, including the use of criminal records disclosure 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 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 commits itself to the provision of support, advice and training for lay and ordained

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people that will ensure people are clear and confident about their roles and responsibilities in safeguarding and promoting the welfare of children and adults who may be vulnerable.

Trustees' responsibilities

The trustees are 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 enable 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.

So far as each of the trustees is aware there is no relevant information that has not been disclosed to the auditors and each of the trustees believes that all steps have been taken that ought to have been taken to make them aware of any relevant audit information and to establish that the auditors have been made aware of that information.

Signed on behalf of the Circuit Trustees

Mr Tony Trevers Senior Circuit Steward

Miss R van Staveren Chair of Circuit Finance group

Date 14-05-2025

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INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE METHODIST CHURCH COLCHESTER CIRCUIT CHARITY COMMISSION REFERENCE NUMBER 1134248

I report on the accounts of the Methodist Church Colchester Circuit Charitable Trust for the year ended 31st August 2024.

Responsibilities and basis of report

As the trustee of the charity, 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 charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination and I believe that:

- Accounting records were kept in respect of the Trust as required by section 130 of the Act.
- The accounts accord with those records.
- The accounts 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.

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.

Signed: 

Date 14.05.2025

Mr V P Chandler FCA FCCA,
Moore Green Chartered Accountants
22 Friars Street
Sudbury, Suffolk
CO10 2AA

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Financial statements for the year ended 31 August 2024

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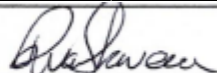
**Statement of Financial Activities (SOFA)
for the year ended 31 August 2024**

Colchester Circuit							Circuit No 34/6		
	Notes to the accounts	General Fund (Unrestricted)	Circuit Model Trust Fund (Un-restricted)	Designated Funds (un-restricted)	Restricted Funds	Endowment Funds	Total 2023-24	Total 2022-23	
		£	£	£	£	£	£	£	
Income									
1 Donations and legacies							0	2,500	
2 Income from monetary investments	4	6,000	39,662		699		46,361	13,770	
3 Income from investment properties	5	19,567					19,567	20,457	
4 Assessments on Churches	6	155,620					155,620	146,944	
5 Capital Receipts	7	-513,236	513,236				0	0	
6 Grants received							0	0	
7 Other charitable income	8	1,819					1,819	1,075	
8 Total income		-330,230	552,898	0	699	0	223,367	184,746	
Expenditure									
9 Grants and donations							0	335	
10 Salaries and associated costs	9	92,121					92,121	88,197	
11 Property maintenance	11	12,439					12,439	35,282	
12 Connexional assessment & model tr	10	26,722					26,722	28,270	
13 District Assessment & Levy	10	6,530	17,543				24,073	25,266	
14 Depreciation							0	0	
15 Office expenses	12	14,866					14,866	10,525	
16 Other outgoings	13	8,345	999		5		9,349	25,666	
17 Total charitable expenditure		161,024	18,542	0	5	0	179,571	213,541	
18 Gains/(losses) on monetary investments							0		
19 Gains/(losses) on investment properties							0	-83,942	
20 Net income/(expenditure)		-491,254	534,356	0	694	0	43,796	-112,737	
21 Transfers between funds	17	58,365	-57,405	-960			0	0	
22 Other gains/(losses)									
23 Net movement in funds		-432,890	476,951	-960	694	0	43,796	-112,737	
24 Total funds brought forward		1,774,769	350,574	53,685	12,937		2,191,965	2,304,702	
25 Total funds carried forward		1,341,880	827,525	52,725	13,631	0	2,235,761	2,191,965	

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Balance Sheet as at 31 August 2024

Colchester Circuit		Circuit No 34/6						
	Notes	General Fund (Unrestricted)	Circuit Model Trusts (Unrestricted)	Designated Funds (Unrestricted)	Restricted Funds	Endowment Funds	Totals 2024	Totals 2023
		£	£	£	£	£	£	£
Fixed Assets								
Circuit Manses & Equipment	14	1,000,210					1,000,210	1,328,252
Church buildings		0					0	185,194
Investment properties		248,960					248,960	248,960
Total fixed assets		1,249,170	-	-	-	-	1,249,170	1,762,406
Current Assets								
Debtors & Prepayments	15	7,003					7,003	44,754
Loans by the Circuit							0	
Investments with TMCP		2,682	827,650		1,685		832,017	354,729
Central Finance Board Deposits		72,327		52,725	11,946		136,998	34,201
Cash at Bank and in hand		15,353					15,353	3,363
Total current assets		97,365	827,650	52,725	13,631	0	991,371	437,047
Current liabilities								
Creditors (due in under 1 year)	16	4,655	125				4,655	7,488
Grants payable within 2023-4								
Total current liabilities		4,655	125	0	0	0	4,655	7,488
Net current assets/liabilities		92,710	827,525	52,725	13,631	0	986,716	429,559
Total assets less current liabilities		1,341,880	827,525	52,725	13,631	0	2,235,886	2,191,965
Long term liabilities (due after more than one year)								
Grants payable after 2022-23							-	
Loans to the Circuit							-	
Net assets		1,341,880	827,525	52,725	13,631	0	2,235,886	2,191,965
Funds of the Circuit								
General Fund (Unrestricted)	17	1,341,880					1,341,880	1,774,769
Circuit Model Trust Fund (Unrestricted)	17		827,525				827,525	350,575
Designated Funds (Unrestricted)	17			52,725			52,725	53,685
Total Unrestricted Funds							2,222,130	2,179,029
Restricted Funds	17				13,631		13,631	12,936
Endowment Funds						0	0	0
Total Funds		1,341,880	827,525	52,725	13,631	0	2,235,761	2,191,965
Circuit Treasurer:		RACHEL VAN STAVEREN			Approved:			

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Notes to the accounts for the year ended 31 August 2024

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.

The Methodist Church Colchester Circuit meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s) below.

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

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 intended for a particular purpose, but remain unrestricted.

Restricted funds are those held for a defined purpose, as stipulated within the trust deed. There are no Endowment funds. Details of each material fund are disclosed in Note 19 to these accounts and funds may be represented by cash or other assets.

3 Accounting Policies

A Income

Income is brought into account when there is entitlement, and the amount is reliably measurable, once it is more likely than not that the economic benefit of the income will be forthcoming. Individual amounts categorised as 'Other income' in the SOFA will be shown separately only where considered material.

In accordance with the Charities SORP (FRS102), the time of our much valued volunteers is not quantified in these accounts (but our gratitude is). Further information on volunteer participation is provided in the Trustees' Annual Report.

B Expenses / VAT

Expenses are recognised immediately when a liability is incurred, or a constructive obligation arises, provided: (1) the amount is reliably measurable, and (2) it is considered more likely than not that there will be an outflow of economic benefit. This is the application of the accruals principle to expenses.

As a registered Charity, the Circuit is not VAT registered and all input VAT is charged within the related expense.

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Notes to the accounts for the year ended 31 August 2024 (continued)

C Fixed Assets

These are capitalised if they can be used for more than one year, and individually cost at least £1,000

The freehold residential properties are shown in the accounts at deemed historical cost representing each property's gross carrying value as at 1 September 2015, being the properties' market value resulting from a professional valuation in 2015. Colchester Circuit last conducted an external valuation of properties at September 2021. The Circuit has made use of the deemed cost option on transitioning to FRS102.

No Fixed Asset depreciation is being provided because the trustees consider the current residual value of the properties in their present condition to be not less than the historical cost and, in the absence of any impairment, any depreciation provision for the buildings component of the properties would be immaterial.

D Investment Properties

The Circuit holds the previous church premises at Marks Tey as an Investment Property, given there are no plans to dispose of it and a rental income is being received. Also at West Bergholt we hold retained areas (newer burial ground and bus shelter footprint), and the newer burial ground at Boxted (former Methodist Church).

E Debtors and Prepayments

The main prepayment included in the accounts is in respect of the payment made, in late August 2024, to the Methodist Church centrally, being due early September.

F Creditors

Creditors relate to unpaid invoiced expenditure at August 31 2024, plus provision for amounts likely to become payable related to year ending August 31 2024.

4 Income from Monetary Investments

In all cases this has been derived from funds deposited with the Central Finance Board (CFB) and TMCP. Where a restricted fund does not have a unique TMCP account, then that fund is allocated a portion of general fund CFB investment income in equitable proportion.

5 Income from Investment Properties

Rental Income	2024	2023
General Fund	19,567	-
Designated Fund – Marks Tey	-	20,457

During the year the circuit decided to cease the Marks Tey designation and hence the rental income re church premises and grounds now accrues into the general fund.

6 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. Such amounts were all paid in full for this year and we are very grateful to our constituent churches for their co-operation.

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Notes to the accounts for the year ended 31 August 2024 (continued)

7 Capital Receipts and Outgoing

These relate to the two property transactions that completed in September 2023, namely the Manse Property at New Town Road and the former church premises at West Bergholt (as described in trustee report). The income and expense impact of these transactions was recorded in prior year. This year we record the balance sheet movement, out of from Property (note 14) into Investments, there is an equal outgoing in General Unrestricted fund. The movement made up as follows:

	£
Capital receipts (proceeds from sales less fees):	775,393
TMCP Levy raised on sale of properties (Note 10):	(262,157)
Receipt in CMTF Unrestricted Fund (TMCP)	513,236

8 Other Income

General Fund	2024	2023
Tendring Finance Officer Contribution	1,375	715
Other Items	<u>444</u>	<u>160</u>
	1,819	875
Restricted items		200
TOTAL	1,819	1,075

9 Salaries and Associated costs

(a) Costs relating to Superintendent and Presbyter

In the Connexional year 2023-24 the Circuit had 2 full time Presbyters (August 2023 – 2). The stipends, employer's National Insurance Contributions and employer's pension contributions and other expenses of the Presbyters of the Circuit are paid by the Circuit. Manses are provided by the Circuit and the Circuit maintains the property.

The Superintendent of the Circuit, the Presbyter and the remaining members of the CLT are considered as Key Management Personnel. The Superintendent chairs meeting of the CLT and Circuit Meetings. The members of the Circuit Meeting are the trustees of the Circuit (see Appendix).

(b) Pensions

All presbyters are members of the Methodist Ministers' Pension Scheme (MMPS). This is a defined benefit scheme. The Supreme Court held in 2014 that Methodist Ministers (which term includes presbyters) are not employees of the Church. For simplicity, however, when dealing with National Insurance Contributions and pension contributions, the terms 'employer' and 'employee' are used as they would be in an employing body. The Connexion accounts for this pension scheme and full pensions disclosures in the annual Methodist Church in Great Britain accounts.

(c) Stipend related costs

General Fund	2024	2023
Stipends	60,984	56,549
Pension Contributions	13,564	14,487
NI / Apprenticeship Levy	6,194	5,750
Computer Grant	388	352
Travel	2,325	3,563
Telephone	1,626	1,513
Council Tax	5,532	5,296
Water charges	<u>1,508</u>	<u>687</u>
TOTAL	92,121	88,197

A pension refund of a prior year additional contribution for £2,167 is included within the above.

METHODIST CHURCH COLCHESTER CIRCUIT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2024

Notes to the accounts for the year ended 31 August 2024 (continued)

10 District & Connexional Assessment and Levy

(a) Assessment on the circuit

The Connexional and District Assessment on circuit is calculated relative to the proportion of church members, and staffing (Presbyters and Mission staff only) of all Circuits in the Beds, Essex & Herts District. For Colchester Circuit this year this amounted to £33,252.

(b) Levy assessed on the Circuit

An annual levy is charged, calculated on a sliding scale percentage of the Circuit's CMTF Account balance as at 31 August the previous year. For Colchester Circuit this year this amounted to £17,543 on our CMTF Fund and was assessed prior to the property proceeds being credited.

A specific levy of £262,157 was made on the sale proceeds received into CMTF, see Note 7, which the Connexion recycles into schemes according to Methodist Church purposes. However as required by SORP, this is netted off against the Capital Receipt in CMTF Fund.

11 Property Maintenance

The maintenance costs of properties, include costs of Quinquennial inspections, of the total £3,854 relates to the maintenance of Marks Tey rental property.

The cost of repair and maintenance for the Circuit Manses and investment property, are supported by a designated fund, which is a buffer against occasional larger items of spend impacting Property Maintenance. In line with Connexional recommendations and in concurrence with the Property Steward, this is targeted at £5,000 per property (see reserves Note 19).

12 Office expenses

General Fund	2024	2023
Lay Administration / Staff	12,790	8,455
Independent Examination	1,200	1,210
Other Office expenses	<u>876</u>	<u>860</u>
TOTAL	14,866	10,525

The costs of Finance officer were offset for part of the year by Tendring contribution within Other Income (see Note 8).

13 Other outgoings

General Fund	2024	2023
Supply preacher fees (Incl. travel)	1,436	1,825
Professional Fees	2,000	424
Insurance	4,264	1,800
Mission related	500	-
Other	150	596
General CMTF Fund		
Investment Management Fees	<u>999</u>	<u>1,022</u>
TOTAL	9,349	5,667
Designated Funds	2024	2023
Re-location of Presbyter	-	2,716
Professional Fees	-	<u>17,283</u>
TOTAL	-	19,999

METHODIST CHURCH COLCHESTER CIRCUIT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2024

Notes to the accounts for the year ended 31 August 2024 (continued)

Restricted Funds	2024	2023
Investment Management Fees	5	5

This year's insurance charge (general fund) includes 2 Manses and Marks Tey expense. Marks Tey reimburse the expense, which is included within rental income.

14 Property

Ongoing Use

At 31 August 2024 the Colchester Circuit owns 2 Manses, inhabited by Circuit Presbyters, at Cambridge Road and Robin Crescent. Note C to accounting policies covers the valuation dates. Property given a nominal value are as follows: West Bergholt retained areas (newer burial ground and bus shelter footprint), as well as the newer burial ground at Boxted (former Methodist Church).

The sale of the Church Buildings: New Town Road Manse and the West Bergholt former Church (except for the retained areas as below) completed in September 2023. Note 7 explains property receipt into CMTF Unrestricted funds, offset by the property disposal outgoing in General Unrestricted funds.

PROPERTY

	Manses			Church Buildings		
	Total	Land	Buildings	Total	Land	Buildings
Balance as at 1 September 2023	1,000,210	247,710	752,500	513,236	128,250	384,986
Proceeds from sale			-	513,236	-128,250	-384,986
Market / other movement			-			
Balance as at 31 August 2024	1,000,210	247,710	752,500	-	-	-

Investment Property

Principal Investment Property is Marks Tey (former Methodist Church), controlled by the Circuit, and let to a Life Skills training organisation under a 5-year Lease.

	Investment Property		
	Total	Land	Buildings
Balance as at 1 September 2023	248,960	62,250	186,710
Proceeds from sale	-	-	-
Market / other movement			-
Balance as at 31 August 2024	248,960	62,250	186,710

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.

METHODIST CHURCH COLCHESTER CIRCUIT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2024

Notes to the accounts for the year ended 31 August 2024 (continued)

15 Debtors and Prepayments

General Fund	2024	2023
Prepaid stipends	7,003	6,902
Property sales fees in advance	0	23,362
Other	<u>0</u>	<u>33</u>
TOTAL	7,003	30,297
Designated Funds	2024	2023
Rent due on New Lease	<u>0</u>	<u>14,457</u>
TOTAL	0	14,457

16 Creditors and Accruals – due in under 1 year

Unrestricted Fund	2024	2023
Trade creditors	311	471
Accruals	3,269	205
Independent Examination Fee	<u>1,200</u>	<u>1,200</u>
TOTAL	4,780	1,876
Designated Funds	2024	2023
Trade creditors	0	2,392
Accruals	<u>0</u>	<u>3,220</u>
TOTAL	0	5,612

17 Reserves

Unrestricted (General) Reserves

General / unrestricted funds are those which have not been earmarked and are available to further the general purposes of Colchester Methodists. General Fund includes the Circuit Model Trust Fund, which is an unrestricted fund and much of this emanates from the sale of former church buildings.

Designated Reserves

1 Mission Fund - This aligns with Methodist core purpose to carry the gospel message and will be developed in the future in line with Grants policy.

2 Ministers Re-location Fund - This is to provide for re-location costs and current level is considered adequate.

3 Marks Tey – this related to the extended negotiations over rental of Marks Tey. During the year the circuit decided to cease the Marks Tey designation, once the rental agreement was concluded.

4 Property Repairs - The cost of repair and maintenance for the Circuit Manses and investment property, are supported by a designated fund, which is a buffer against occasional larger items of spend impacting Property Maintenance. In line with Connexional recommendations and in concurrence with the Property Steward, by year end this has reached the desired £5,000 per property (2 manses and 1 investment property).

Restricted Reserves

Restricted funds are those held for a defined purpose, as stipulated within the trust deed.

1 Development Tollgate - For use in Development and Outreach work in establishing a Methodist presence within the physical area of new housing - the Tollgate area of Colchester

METHODIST CHURCH COLCHESTER CIRCUIT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 AUGUST 2024

Notes to the accounts for the year ended 31 August 2024 (continued)

2 Benevolent - Available to provide support to those less well off at the ministers' discretion

3 Marks Tey Burial Ground - Bequest specified for maintenance of the burial grounds at Marks Tey, which is linked to a specific interest earning TMCP fund.

Reserves Movement over the Year

	Opening Balance	Income	Expenses	Transfer	Closing Balance
RESERVES					
Unrestricted (General)	1,772,218	- 330,368	- 161,017	58,365	1,339,198
Unrestricted (CMTF)	350,575	552,898	- 18,542	- 57,405	827,525
Unrestricted (Sylvia Bristowe)	2,551	138	- 7	-	2,682
TOTAL Unrestricted	2,125,344	222,668	- 179,566	960	2,169,405
Mission	30,112	-	-		30,112
Property Maintenance	13,170	-	-	1,830	15,000
Minister Relocation	7,613	-	-		7,613
Marks Tey	2,790	-	-	- 2,790	-
TOTAL Designated	53,685	-	-	- 960	52,725
Restricted Benevolent	1,468	79	-	-	1,548
Restricted Devel. Tollgate	9,865	533	-	-	10,398
Restricted Marks Tey	1,603	87	- 5	-	1,685
TOTAL Restricted	12,936	699	- 5	-	13,631
TOTAL Reserves	2,191,965	223,367	- 179,571	- 0	2,235,761

The transfers above relate to:

- (1) The removal of the designation for Marks Tey rental negotiations
- (2) Increase in Property Maintenance designation to the full £5,000 x 3 property figure
- (3) A movement into general fund from CMTF in respect of past property transactions

Analysis of Reserves by Net Assets

As shown on face of balance sheet:

- (1) the unrestricted general reserve is made up of circuit Fixed Assets, as well as Current Asset (Debtors and Creditors) and a proportion of the cash and investments.
- (2) Restricted Reserves, all designated reserves and the Sylvia Bristowe unrestricted reserve are split between TMCP investment funds and cash at Central Finance Board (CFB) deposit fund.

18 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. Expenditure solely for Circuit expenses giving rise to reimbursement to Trustees amounted to £nil.

19 Capital Commitments and Contingent Liabilities

There were no capital commitments or contingent liabilities existing at year end.

Appendix I

Colchester Methodist Circuit Managing Trustees

September 2023 to August 2024 inclusive

Ministers Rev Chris Preece
 Rev Hannah Chun

Supernumerary Ministers Rev Paul Howes
 Rev Ron Smith

Circuit Stewards Mrs Sally Crafer
 Mr Edward Pentney (Property)
 Mr Tony Trevers (Senior Steward)
 Miss R van Staveren (Finance)
 Mrs Judith Winward

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 R van Staveren
 Mrs Gail Chapman (appointed January 2024)

Castle Mr Clive Carrington
 Mr Bob Finch
 Mr Richard Pettit
 Mr Chris Pratt
 Mr Derek Coe (appointed November 2023)

Lexden Mr Neil Austin
 Mr Alan Beesley
 Mrs Vivian Wilcox
 Mr Geoff Wilcox

Mersea Island Mr John Brook
 Rev David Moody
 Mrs Joan Moody
 Mrs Ann Brook (appointed April 2024)

The Well, Mile End Miss Tracey Chapman
 Mrs Judith Fletcher
 Mr John Jones
 Mrs Di Thompson

Wimpole Road Mr Peter Broom (resigned July2024)
 Mrs Margaret Club
 Mrs Christine Firmin
 Mr Andrew Topple (resigned July2024)
 Mr Edward Pentney

Wivenhoe Mr Phil Bingham
 Mr Brian Dack (resigned July2024)
 Mrs Betty Rampling
 Mrs Joan Keeble (appointed April 2024)

Appendix II

Glossary of Terms

CFB:	Central Finance Board of the Methodist Church manages a Common Deposit Fund and a series of pooled investment funds for the Methodist Church in Great Britain and provides investment advice to those entities.
Church:	a group of members from fewer than 10 to more than 90
Circuit:	a group of Methodist Churches near each other, typically between 10 and 20
Circuit Meeting:	The trustees of the Circuit, most of whom are appointed by their local Churches and others by virtue of a role they undertake for the Circuit and/or their local Churches.
CLT	Circuit Leadership Team which comprises the Presbyters (Ministers) and pastors stationed within the Circuit, the Circuit Stewards and the Circuit Treasurers
CMTF:	Circuit Model Trust Fund
Connexion:	The Methodist Church in Great Britain which includes the Head Office at Methodist Church House, all Methodist Districts, Circuits and Churches in Great Britain.
Connexional Funds:	The designated and/or Restricted Funds held and administered by the Connexion in furtherance of its charitable and mission objectives.
District:	a group of contiguous Circuits, usually between 15 and 30
DAF:	District Advance Fund
FRS:	Financial reporting Standard
HMRC:	Her Majesty's Revenue and Customs
Lay Employees:	Personnel employed by the Circuit on generally accepted commercial employment terms.
MMPS:	Methodist Ministers' Pension Scheme
PASLEMC:	Pensions and Assurance Scheme for Lay Employees of the Methodist Church
Pensions Trust:	The Pensions Trust, the organisation through which the Circuit arranges a pension scheme for its Lay Employees
Presbyters	Probationer or Ordained Methodist Ministers (including the Superintendent) who have pastoral and administrative responsibility for the Churches within the Circuit
SOFA:	Statement of Financial Activities
SORP:	Statement of Recommended Practice
TMCP:	Trustees for Methodist Church Purposes, the legal owner and Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds